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Ontario

Ministry of
Housing

Annual Report 1980/81



including the annual reports of
Ontario Housing Corporation
Ontario Land Corporation
Ontario Mortgage Corporation

NOTE: This report covers the period ending March 31, 1981. Since then, on July 3, 1981, the municipal affairs functions from the Ministry of Intergovernmental Affairs have been amalgamated with those of the former Ministry of Housing to create a new ministry—the Ministry of Municipal Affairs and Housing.

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Office of the
Minister

Ministry
of
Housing

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THE HONOURABLE
JOHN B. AIRD, O.C., Q.C., L.L.D.
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the
Legislative Assembly, I have the privilege
of presenting the Annual Reports of the
Ministry of Housing, Ontario Mortgage
Corporation, and Ontario Land Corporation
for the fiscal year ending March 31, 1981,
and the Annual Report of Ontario Housing
Corporation for the calendar year 1980.

Respectfully submitted

A handwritten signature in black ink, reading "Claude F. Bennett". The signature is written in a cursive style with a large, stylized "C" and "B".

CLAUDE F. BENNETT
Minister





Office of the
Deputy Minister

Ministry
of
Housing

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416 965-3411

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF HOUSING

SIR:

I have the honour to submit for your approval
the 1980/81 Annual Report of the Ministry of
Housing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R.M. Dillon".

R.M. Dillon
Deputy Minister

Policy and program development secretariat

The secretariat initiates, directs, undertakes and co-ordinates program and policy related research. It monitors the community environment, issues and programs, and ensures a ministry response to changing conditions.

Policy development

The policy development group evaluates and designs alternatives to ministry policies and programs to enable the ministry to pursue its goals effectively.

This section was active in several policy areas including the initiation, evaluation and monitoring of various shelter, mortgage and rehabilitation programs, such as the development of the Ontario Rental Construction Loan Program, the evaluation of the federally-proposed housing allowance scheme, and an examination of the advantages and disadvantages of improving the social mix in housing. It also initiated and developed a collaborative planning technique with the municipalities and the private sector to adapt the housing stock to changed demographic and economic conditions. It provided support services and background material to other government agencies.

The group is responsible for preparing and co-ordinating the ministry's regulatory-reform program. It has also initiated a research and demonstration project to determine the most effective means to achieve acceptable levels of indoor-air quality, and thermal efficiency in tightly-built, energy-conserving construction.

Management planning and evaluation branch

This branch consists of a program analysis section and a surveys and statistical analysis section.

The program analysis group develops and implements the ministry's management reporting, planning and control systems; co-ordinates the establishment of the ministry's future funding requirements and management-by-results

process; monitors program delivery systems and evaluates their effectiveness; and maintains operating statistics of ministry programs. The group also co-ordinates the development of a ministry strategic plan.

The surveys and statistical analysis section provides statistical and survey research expertise to the ministry and assembles statistics required for policy development. During the year, major projects included the annual rental market survey conducted in seven Ontario cities to determine rent levels, rent changes and tenant perceptions concerning the quality of maintenance and services. It also provides statistical expertise to the secretariat, which is studying various aspects of rental housing in Ontario.

This section provides the ministry with regular assessments of the housing market, and represents the ministry on the interministerial statistics committee, which co-ordinates the province's requirements for statistics.

This group also administers the Municipal Housing Statement Program and related grants. In 1980/81, funds were approved for an additional 35 municipalities, bringing the total commitments to \$1,243,265 since the program was initiated in 1974. Payments this year totalled \$128,223, bringing total payments to \$986,238, resulting in a program commitment of \$278,027.

Intergovernmental policy liaison

The secretariat also ensures that the ministry is aware of, and responds to, changing housing policy program issues at the federal, provincial and municipal levels of government. It co-ordinates the ministry's activities regarding federal/provincial and interprovincial matters, and the ongoing activities of the municipal liaison committee and the municipal associations.

Other support activities

The secretariat contributed the province's annual share of the operating budget of the intergovernmental com-

mittee on urban and regional research which provides information on issues such as planning, environmental matters and transportation to government agencies across Canada.

The secretariat continued to co-ordinate and participate in the ministry's involvement in international studies of urban problems being undertaken by the Organization for Economic Co-operation and Development, which consists of Western European countries, Canada, the United States and Japan.

Affirmative action program

The goal of the Affirmative Action Program is to raise and diversify the occupational status of women. There has been moderate success in some areas and very little progress in others.

Emphasis was placed on increasing the pool of qualified women to compete for jobs in the Ontario public service. To this end, accelerated career development initiatives were undertaken for 20.1 per cent of the ministry's female staff. Also, active outreach to attract qualified female candidates was conducted by the Affirmative Action Program staff in cooperation with line managers.

1980-81 marks the first year in which the ministry, as part of the over-all corporate objective, set hire/promotion targets for priority attention in female under-represented classes (those having less than 30 per cent female representation). While representing only 19.1 per

cent of the qualified pool of applicants, women won 32.1 per cent of competitions held in the under-represented classes during 1980-81.

Affirmative action in 1980-81 continued efforts to streamline systems which had been established in past years. Managers set targets for accelerated career development initiatives to develop and promote women within their areas and interviewed their female employees as to their career goals. This was tied into the over-all goal-setting and review process initiated in 1979-80.

The program was successful in that accelerated career development targets were set by managers and achievements in many areas of the ministry exceeded these targets. Women in the ministry are being trained and developed. Statistical measures, however, indicate slow and moderate progress due to a number of factors. These include inter-

ministry and external promotions, decreasing staff turnovers and ministry reorganization. The operational module, for example, continues to be a male-dominated area while the administration module has attained 34.9 per cent female representation at year-end, an increase of 14.8 per cent since 1975. The professional module showed a slight gain over the past year, with 16.7 per cent of the module comprised of women.

During 1980-81, women's average salary in the ministry rose by 9.1 per cent while men's average salary increased by 6.8 per cent. This resulted in the closing of the wage gap between men's and women's salaries by 1.3 per cent. By March, 1981, women's average salary was 61.8 per cent of men's compared with 58.7 per cent in 1975. Women's average salary in March, 1981, was \$17,301, while the average salary for men was \$27,981.

Finance and administration division

The finance and administration division supplies management support services to all areas of the ministry and its associated crown corporations. The division is organized into five main organizational components: financial services, computer and systems support services, personnel and human resources services, procurement and supply along with all other associated office services activities, and the corporate secretary's office which supplies secretarial services to the boards of directors of crown corporations reporting to the ministry.

During the year the division completed the implementation phase of the ministry's operational financial information system (OFIS). Remote entry terminals are now operating from 28 field and three head office locations. The system provides a common financial information reporting medium for all ministry activities and includes appropriate financial and budgetary controls to complement the ministry's major stewardship responsibilities. Assets in excess of \$2.7 billion were under administration at year's end.

One key financial activity during the year involved arrangements with Canada Mortgage and Housing Corporation to expedite the partnership settlements for assisted housing operations. The introduction of interim quarterly settlements substantially reduced the ministry's cash flow requirements during the year.

The operational financial information system is now an integral part of the financial operation of the ministry. This computer system has resulted in more effective and economical processing.

New systems development was undertaken in several areas of the ministry. Preliminary investigations were conducted in the community planning and community development wings, as well as the Ontario Land Corporation to critique existing automation and identify new opportunities for systems development.

Where appropriate, systems and computer services are being made more accessible to the operating areas within

the ministry. Much of the data entry into the computer systems is now being done by the client staff via computer input terminals. A medium-sized mini-computer was installed in the policy and program development secretariat for research, statistical and one-time computer applications. It provides policy analysts with immediate access to computer power in their own offices.

The findings of a number of office technology feasibility studies have resulted in the introduction of additional text editing and word processing equipment to the ministry and the Ontario Housing Corporation. Existing equipment has been upgraded in the Ontario Mortgage Corporation and the chief architect's branch.

The two word processing centres in the management systems branch have expanded their support to additional program delivery areas of the ministry. There has been a continuous effort to support the ministry's administrative functions through updated user manuals, redesigned file systems and forms control activities.

The office of the corporate secretary was involved in agenda preparation and the recording of minutes for the board and committee meetings of the three crown agencies which report to the minister—Ontario Housing Corporation, Ontario Mortgage Corporation and Ontario Land Corporation. This entailed attendance at 294 meetings during the year, including local meetings with members of local housing authorities and zone conferences. A similar service was provided for ministry internal staff review and advisory committees.

In continuing to assist OHC achieve its desire for a more open posture, considerable time was spent in developing an appropriate concept for open board meetings which will permit public attendance.

This office also played a role at the ministry's first annual meeting. Questions from the floor were recorded, collated and distributed to the appropriate people and their answers were ultimately distributed in printed

form.

The increase in the volume of work in this and other areas was accomplished, without adding to available resources, by the use of word processing technology which has also been utilized for the retrieval of decisions made by the board of directors.

Four hundred and thirty-two tender openings were handled during the year on behalf of the ministry as a whole, which resulted in 1,470 bids. Bid and performance securities, insurance certificates and other forms of documentation were held in safekeeping on behalf of the operating branches who had instigated the calls.

The personnel services section assisted ministry management in the day to day administration of recruitment, job evaluation, classification and employee relations functions.

In addition, major initiatives were undertaken. These included the development and implementation of a management compensation and job classification system for management positions in housing authorities and the rationalization of employment status of employees in Ontario Housing Corporation and local housing authorities, the former becoming civil servants and the latter crown employees.

The staff relations section concluded collective agreements through arbitration with the Canadian Union of Public Employees in both the Metro Toronto and provincial operations. Both agreements were for a period of two years ending Dec. 31, 1981. The section also established a system to provide all crown employees with "personal benefits reports" similar to those issued civil servants.

The manpower planning and staff development section presented such workshops as management development, communications, teamwork, and effective presentations. In addition, they co-ordinated the implementation of the ministry's new goal setting and review process and established a computer-based employee information system to assist manpower planning and human resource development.

The pay and records section is responsible for processing all payroll and personnel transactions for the ministry's civil servants, through the integrated personnel payroll employee benefits system (IPPEBS). This section also monitors OHC crown employees payroll transactions. The input is prepared by the local housing authorities and processed through the Royal Bank of Canada's payroll system. In November, 1980, the payroll system was revised to simplify and decrease the routine clerical payroll workload while providing a more complete data base per employee.

In support of the government's freedom of information initiatives, a ministry reading room was established in the library. Various manuals, publications and documents are available there for public perusal and copying. If additional information is required inquiries are directed to the appropriate program area.

Increased emphasis was placed on the timely processing of vendor invoices to meet the government's goal of paying its bills within 30 days. As a result, interest payments on overdue accounts have been virtually eliminated.

Community planning wing

The function of the community planning wing is to encourage effective community planning throughout the province. To reach this objective, the wing must ensure that provincial policies are implemented through sound community planning techniques.

The planning wing also assists in preserving the physical and social character of Ontario's communities by developing and administering programs to help municipalities and their citizens improve their neighborhoods and downtowns.

Plans administration division

The plans administration division (PAD) is responsible for administering a wide range of functions required under the Planning Act.

PAD consists of three branches: community planning review branch—central and southwest; community planning review branch—north and east, and operations control branch.

These branches evaluate and make recommendations on applications to the minister for official plans, official plan amendments, plans of subdivision and condominium. In municipalities where approval authority has been delegated, the branches monitor the approval functions.

Community planning review branch—central and southwest **Community planning review branch—north and east**

Zoning bylaws are reviewed by these branches and comment on them is made to the Ontario Municipal Board. The branches also approve amendments to the minister's zoning orders.

In addition, they approve applications for the minister's consent and monitor land severances granted by local committees and delegated planning boards.

Other functions include commenting on actions under the Partition Act and approving the validation of land titles, road adjustments, part lot control bylaws and deeming bylaws.

The community planning review branch—central and southwest, is also responsible for handling appeals to decisions on Niagara Escarpment development permits, implementing the Parkway Belt West plan and approving amendments to Parkway Belt regulations.

Operations control branch

The operations control branch consists of the operations review and administrative support sections, the development co-ordination unit and the cartography and drafting unit.

The operations review section reviews and makes recommendations to the minister on the delegation of approval authority under the Planning Act to regions, counties and planning boards. The section also prepares minister's zoning orders for unorganized areas in Northern Ontario.

Other functions include preparing guidelines on planning procedures and co-ordinating ministry comment on environmental assessments.

The administrative support section provides clerical, personnel and general support services to the division.

The development co-ordination unit monitors the long-range provision of serviced land in urban areas and attempts to resolve problems before they impede the even flow of land for development.

Its responsibilities also include outstanding loan and grant commitments made under the Ontario Housing Action Program. This will continue until March 31, 1982.

The cartography and drafting unit provides mapping and graphics services to the Plans Administration Division and to other branches within the community planning wing.

Annual statistics fiscal 1980-81

Development grants

	1979-80	1980-81
New grants	2	0
Total amount paid	\$35,000	0
Number of completed or extended grants	2	2
Total amount paid	19,694	4,353
	54,694	\$4,353

Interest-free loans

	1979-80	1980-81
Number of loans	1	0
Total loans approved	90,600	0
Amount disbursed	9,035,994	4,131,950

Housing incentive grants

	1979-80	1980-81
Amount disbursed	\$16,875	\$4,950

Zoning bylaws

	total 1979-80	total 1980-81
Comprehensive and amending bylaws received	3,570	4,835
Comprehensive and amending bylaws terminated	3,270	4,856

Zoning order amendments

	total 1979-80	total 1980-81
Received	235	229
Terminated	238	275

Minister's consents

	total 1979-80	total 1980-81
Received	1,798	1,354
Terminated	1,101	1,516

Official plans

	total 1979-80	total 1980-81
Proposed official plans received	27	49
Proposed official plan amendments received	762	841
Official plans terminated	30	56
Official plan amendments terminated	761	850

Niagara Escarpment Commission

	total 1979-80	total 1980-81
Received	172	130
Terminated	164	124

Road Adjustment bylaws

	total 1979-80	total 1980-81
Received	154	207
Terminated	159	210

Part lot control

	total 1979-80	total 1980-81
Received	45	46
Terminated	60	47

Validation

	total 1979-80	total 1980-81
Received	71	72
Terminated	71	73

Subdivision and condominium applications

	total 1979-80	total 1980-81
Received	571	377
Terminated	N/A	546
Submissions of delegated regions	355	376

Local planning policy branch

The branch is divided into three sections: policy, programs and special studies. The policy section develops and recommends general provincial policy and legislation in the community planning field. The programs section is responsible for developing provincial policy, planning standards and guidelines applicable to various forms of development. The special studies section undertakes detailed projects, providing the basic research requirements of the branch.

White paper and draft planning act

A draft of a new Planning Act was widely distributed across the province in January, 1980, following the principles established in the earlier white paper. Some 350 public submissions were evaluated in detail while discussions continued with various organizations directly involved in the planning process.

Proposals for considerable revisions to the draft have been made and a final version to be introduced in the legislature is near completion.

A guide to the Planning Act

This guide was prepared to help the non-professional become acquainted with the planning framework in Ontario.

Land use planning for noise control in residential communities

This report encourages municipalities and developers to use land use planning as a noise control measure to minimize the chances of creating noise problem areas.

Lakeshore capacity study

The special studies section is continuing its responsibility for managing the lakeshore capacity study. This is an interministerial study with participation by the Ministries of Housing, Environment and Natural Resources. The objective of this research is to develop a predictive model, or series of models, to evaluate the impact of proposed cottage development on land and lake environments. The findings will be used in the subdivision approval process under the Planning Act.

The work focuses on the environmental impact of lakeshore development on water quality, fisheries, wildlife and legislation. Since natural ecological processes are involved, field data for several summer seasons is required to provide a scientific base.

Final study reports are now in preparation and are scheduled for completion before the end of the fiscal year 1981-82.

Community planning advisory branch

The community planning advisory branch (CPAB) is a decentralized operation with offices in Ottawa, London, Sudbury, Thunder Bay and Toronto. It is responsible for promoting community planning through the provision of educational activities, direct financial and technical assistance and advisory services. To minimize duplication in the planning process, heavy emphasis is placed on those areas without planning staff or with insufficient full-time staff.

Educational activities

In 1980/81, the branch organized 67 conferences and seminars for municipalities throughout the province dealing with a variety of planning topics. Staff of the branch also participated in 44 other forums sponsored by various public agencies and private organizations.

Technical assistance

CPAB offers professional planning assistance to many Ontario municipalities on a no-cost consultant basis. During 1980/81, amendments to 10 official plan documents, 44 zoning bylaws or bylaw amendments, 36 terms of reference for planning studies and 25 other documents were prepared.

The branch also reviews draft planning documents on request, prior to their submission for approval to the ministry or the Ontario Municipal Board.

Financial assistance

CPAB administered \$1.2 million in grants to assist municipalities with limited financial resources and planning staff to embark on or complete their planning programs.

In 1980/81, 103 municipalities and 11 joint planning boards received provincial commitments for \$1.26 million. These funds were issued partially during the fiscal year and the outstanding amounts will be provided to municipalities upon completion of individual planning studies.

The grants were made available to produce a variety of documents and to assist in the cost of completing planning programs. Among the 131 documents to be produced are the following:

Official plan documents (new or revised, major amendments or secondary plans) 42

Zoning bylaw documents (new or revised bylaws, major amendments, bylaws to replace minister's zoning orders) 72

Special/other planning studies 17

The branch also provided \$175,000 to facilitate the administration of planning activities in 15 planning areas containing unorganized territories in Northern Ontario.

Energy

CPAB now provides funding for these municipalities to include an energy conservation through land-use planning component in their planning studies.

The program will be extended to larger municipalities in the 1981/82 fiscal year through funds available from the Ministry of Energy.

Other activities

The branch recommended the establishment of, or alterations to, 36 planning areas. Advice was also provided on the definition, constitution and procedures of various planning boards.

Comments were provided on a selective basis to the plans administration division from a local perspective on the appropriateness and adequacy of planning documents submitted for approval.

Branch staff represented the ministry on a number of planning committees and performed a liaison role with federal agencies and other provincial ministries located in these regions, and with local municipalities and the general public on matters of ministry concern.

Community renewal branch

The community renewal branch is responsible for administering provincial and federal/provincial programs which focus on enhancing community development and improvement.

Ontario Downtown Revitalization Program (ODRP)

The Ontario Downtown Revitalization Program (ODRP) assists eligible municipalities with a maximum population of 125,000. ODRP provides funding for public investment in downtown areas to act as seeding projects to restore confidence in a community's core area.

Subject to the availability of funds, the province will provide assistance in the form of partially recoverable loans, up to a maximum of two-thirds of the approved cost of the project. Such a project must generate additional revenue to the municipality in the form of rents and/or taxes.

Eligible costs include:

- the acquisition and/or clearance of land for a revitalization project.
- acquisition and rehabilitation of an existing key anchor building.
- installation of a public open or covered mall or semi-mall.
- improvement to ancillary services such as water, sewer and/or roads where such improvement will result in revitalization.

Total provincial recovery is limited to 110 per cent of the initial two-thirds contribution. However, repayment is contingent upon additional revenue being created for the municipality. There is no firm period for repayment of the loan. Since the start of the program, repayments have amounted to a total of \$449,202 from Vanier, Sarnia, Cornwall and Tillsonburg.

This program was announced by the minister in September, 1976. As of March 1981, a total of four projects have been completed—two in Cornwall and one in Thunder Bay and Vanier.

Sarnia (Phase I) and Tillsonburg have almost completed their projects. Seven other communities have been given approval-in-principle for revitalization projects: Barrie, Brantford, Chatham, Guelph, Perth, Sarnia (Phase II) and Sault Ste. Marie. The total provincial financial commitment to date is approximately \$52 million.

Ontario Main Street Revitalization Program

In August, 1978, the minister introduced the Main Street Revitalization Program. Designed to assist small Ontario communities with a maximum population of 35,000, the program aims at improving and upgrading the downtown core area. The Business Improvement Area (BIA) concept is used as a starting point.

The province provides front-end funding toward physical improvement and parking projects in accordance with BIA plans for the downtown area. This approach permits implementation of a comprehensive project and, since repayment extends over a maximum 10-year period, the business community is not faced with a major financial burden.

The maximum provincial loan to a municipality is \$150,000, except in the case of a restructured municipality where there were formerly two municipalities. In this case, a maximum of two loans (each \$150,000 maximum) is permitted.

Municipal applications are reviewed on a first-come, first-served basis, subject to the availability of provincial funds. The total provincial recovery is 110 per cent of the provincial funding over a maximum 10-year period. The annual repayment will be based upon the agreed amortization period as reflected in the provincial-municipal agreement. The annual repayment, however, will not be less than one-tenth of the 110 per cent of the provincial loan.

Since the start of the program in 1978, seven projects have been completed in the municipalities of Woodstock, Wallaceburg, Exeter, Collingwood, Bradford, Almonte and Lindsay. The total provincial commitment to date is approximately \$4,808,368.

Ontario Neighborhood Improvement Program (ONIP)

In November, 1980, the federal government cancelled the Community Services Contribution Program (Neighborhood Improvement Program component), and, in response to the outstanding demand for municipal and community services, the provincial government introduced the Ontario Neighborhood Improvement Program (ONIP). This program will be operating in 1981/82 and thereafter.

The community renewal branch also acts as an adviser to 147 active BIAs in Ontario.

Project planning branch

The project planning branch provides comprehensive advice on community planning to the ministry in support of program delivery, especially where undertakings of government interest are concerned. The wide variety of projects dealt with includes community design and renewal, economic and social planning, regional planning and development, site analysis, engineering and transportation planning, environmental impact and energy conservation. An integral design unit works with the planning staff. Because the planning team is small, it is also able to work closely with consultants employed by the ministry to ensure satisfaction and continuity in the supply of specialist services.

Recent projects include:

- Review of conditions in the Windsor area to assess the impact of changing growth and employment within the automobile industry and the effect upon community planning, housing and services within the city and surrounding area.
- Examination of government programs for neighborhood improvement and downtown renewal to determine relative success, including economic, social and design performance.
- Publication of a guide to site planning for energy conservation which explains how this can be done, and relative savings possible, based upon alternative ways of developing a specific site.
- Examination of selected urban areas to determine the opportunities for infill development on vacant or underutilized land which can make use of existing municipal services and community facilities.
- A preliminary analysis of the likely impact and needs of an aging population upon community planning, including economic and social factors, urban design changes and the provision of services.
- Analysis of the impact of changes in growth on small communities in Northern Ontario, for example the north shore of Lake Huron, in relation to mining and processing industries.
- Preparation of concept plans for development by the Ontario Land Corporation—for example the Black Road area of Sault Ste. Marie and Malvern in Scarborough—and ongoing advice on planning alternatives.
- Design of detailed layouts for the subdivision and development of government land assemblies and revision of them occasionally to meet changing market needs.
- Assessment of commercial and industrial planning proposals to determine economic, social and environmental impacts as a support to program delivery.
- Ongoing advice on urban design, downtown planning, the economic performance of communities and current social and economic conditions which affect planning in urban and rural areas.

Community development wing

The community development wing of the ministry helps meet the housing needs of low and moderate-income families, senior citizens and disabled persons through a variety of programs. It is also responsible for the development of housing policy and federal-provincial relations with respect to government-assisted housing.

The wing has three components: the market surveys section, community housing division and the technical services division which support the general aims and objectives of the wing.

The market surveys section works with municipalities with populations of less than 10,000 to assist in identifying their general housing requirements through municipal housing statements. For larger municipalities, the section conducts surveys which identify the specific needs for assisted housing.

The community housing division assesses those needs and decides which program would be most appropriate for the particular municipality.

Councils are presented with program options and community housing staff explain issues such as the proposed location of a development, cost, management and on-going administration.

The division is involved in several programs, including financial help for resident homeowners who wish to repair their homes.

Backing up the community housing division staff are the resources of the technical services division. In addition to offering engineering, architectural and appraisal services, the technical services division has a research and development section.

Housing programs

Municipal non-profit

During the year, the wing certified more than \$45 million in private loans for the development of projects under the municipal non-profit program.

Under this program, which is ad-

ministered by the wing, 1,142 units in 12 municipalities were committed for financial support by the province, 696 units for families and 446 for senior citizens.

As part of the program, \$6.8 million was disbursed to eight municipal non-profit housing corporations under the federal Community Services Contribution Program (CSCP) which provided grants of up to 10 per cent of capital costs of projects.

Technical services staff reviewed architectural and engineering plans for some 40 municipal non-profit projects and completed construction, architectural and landscape inspections on 15 projects. The chief appraiser's branch processed over 200 project proposals, with an approximate value of \$118 million.

Ontario Home Renewal Program

During the year, the wing assumed responsibility for the Ontario Home Renewal Program (OHRP). Ontario provides per capita grants to municipalities to administer directly as loans to owner-occupants. The funds are used to repair faulty structural and sanitary conditions and to upgrade plumbing, heating, insulation and electrical systems in residential properties.

During the year, 378 Ontario municipalities received per capita grants totalling over \$19.5 million. Since OHRP commenced in late 1974, 670 municipalities have taken part in the program.

In unorganized communities, OHRP is administered through Ministry of Northern Affairs offices. Homeowners in these areas received 80 loans totalling \$428,194 during the year. Since the program's inception, more than \$5 million have been granted to 1,038 applicants in unorganized communities.

Rural and native housing

Under the federal/provincial rural housing program, for communities with populations of less than 2,500, 193 family ownership units in 39

municipalities and 82 senior citizen rental units in four rural communities were approved.

Rent supplement

A total of 457 units came under rent supplement program agreements in 24 municipalities. Forty-nine applications for rent supplement program purposes were reviewed by the chief appraiser's branch.

Other programs

Provincially assisted

During the year, private loans totalling \$2,587,687 were certified for 110 senior citizen units and five family units of provincial-assisted housing in five municipalities.

Modified tender call documents were produced for 16 Ontario Housing Corporation projects valued at \$9 million and technical staff reviewed the plans and carried out architectural, construction and landscape inspections on these projects.

Municipally assisted

In Metro Toronto, 125 units were committed under the municipal assisted rental program. The chief appraiser's branch processed nine municipal assisted projects with an approximate value of \$4,305,800, and the chief architect's branch completed full technical reviews on these projects.

Community sponsored

Six million dollars were provided to non-profit and co-operative groups through monthly rent reduction grants covering approximately 14,000 units in 34 municipalities, while \$5.9 million was provided in rent supplement subsidies for approximately 4,500 units under the Community Sponsored Housing Program.

AHOP/HOME

By year's end, 3,361 families had taken part in the provincial Home Ownership Made Easy (HOME) Plan grant program which operated in conjunction with the federal Assisted

Home Ownership Program (AHOP). New provincial commitments during the year totalled 37.

Market surveys and research and development services

Research and development

The research and development section, under the ministry's energy management program, undertook 30 projects, primarily in the space condition and solar energy fields. At year's end, four were completed, 16 underway and the remaining 10 were scheduled to begin. The ministry's metric conversion program was completed.

Market surveys

During the year, the market surveys section assisted 60 municipalities—35 with municipal housing statements and 25 with assisted housing surveys. An additional 55 municipalities were being surveyed at year's end.

An annual housing review questionnaire, used to update the assisted housing portion of housing statements, was mailed to all municipalities. A total of 174, representing more than 64 per cent of the province's population, responded. A total need for 5,138 senior citizens and 6,116 family housing units was indicated.

Staff served on two interministerial committees. One, made up of representatives of the Ministries of Community and Social Services, Health and Housing, concluded its assessment of joint-ministry ventures in the provision of services for the elderly.

Staff also took part in the natives in an urban setting task force, with representatives of the Ministries of Northern Affairs, Culture and Recreation, Health and Housing. The research phase of the task force's studies was nearing completion and a report was scheduled for 1982.



Office of the
Chairman

Ontario
Housing
Corporation

101 Bloor Street West
Toronto Ontario
M5S 1P8

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF HOUSING

SIR:

It is my honour, on behalf of the Board
of Directors, to present the Annual Report
and Statement of Accounts of Ontario Housing
Corporation for the year ended 1980.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "Allan R. Moses". The signature is stylized with a large loop at the top and a long horizontal stroke at the bottom.

Allan R. Moses
Chairman of the Board

Ontario Housing Corporation

Board of directors

A.R. Moses, chairman
J.A. Marrese, vice-chairman
R.G. Crompton
Mrs. T.E. Hendry
J.F. Kelleher
J.A. Lambe
G.A. MacInnis
J.B. McLean
M.A. O'Brien
S. Sadinsky
Ms. J.A. Yaworsky

Report of the chairman of the board

The beginning of the new decade saw the corporation take a major step toward completing its goal of placing the day-to-day management of its extensive assisted rental housing portfolio in the hands of people from the communities which it serves.

This process of decentralized management, which began in 1974, moved significantly closer to completion with the inauguration of the Metropolitan Toronto Housing Authority, Oct. 6.

The new housing authority, which comprises the corporation's former housing operations branch (Metro), is the largest in the province. It is responsible for the management of more than 29,400 assisted housing units and another 3,000 privately-owned units contracted for under the rent supplement program.

The chairman of the 13-member housing authority is Dr. Albert Rose, a long-time former member of the corporation's board of directors.

Also during this year, the South Simcoe and Barrie Housing Authority was inaugurated and the former Ottawa Housing Authority was reconstituted as the Ottawa-Carleton Regional Housing Authority, bringing the number of housing authorities across the province to 60. There remains only two assisted housing portfolios, in the Regional Municipalities of York and Peel under the direct management of the corporation. Approval has been received to establish the two new housing authorities and inauguration of both is expected in the near future.

The year under review also saw the corporation take 23 additional housing projects, containing 905 units, under its administration. These new projects increased the number of units owned by the corporation to 83,675. Of these, 48,038 are designated for families and 35,637 for senior citizens. The corporation also had under administration 9,896 units leased under the Rent

Supplement Program.

The corporation's housing portfolio—its 93,000 front doors as I have come to regard them—is now available to low-income families, senior citizens and physically-handicapped persons in more than 310 municipalities throughout Ontario.

As a result of a change in the subsidy formula for Ontario's assisted rental housing, municipal residency requirements were removed. In the spring, municipalities had been relieved of their responsibility for funding 7½ per cent of the operating subsidies for the assisted housing within their jurisdictions.

This change allowed the corporation to remove from its application procedures the requirement that a person must live in a particular community for a certain amount of time in order to be eligible for assisted housing there. Now applicants must reside in Ontario continuously for at least 12 months before applying for assisted housing anywhere in the province.

In response to the changing needs of our senior citizen population the corporation developed a new policy which allows seniors with considerable financial or material assets to seek accommodation in its senior citizen projects.

Under the policy, such seniors are required to pay rents which reflect the value of their assets as well as incomes but which do not exceed market rents in the surrounding community.

This policy is of particular benefit to those seniors who would prefer to live in a senior citizen building or who cannot find suitable rental accommodation in the communities in which they live.

As well, preliminary research was begun for developing the policies and procedures required to extend the eligibility for assisted housing to mentally-retarded persons who have acquired the skills to maintain their own households.

It is expected that the necessary policies, being developed in consultation with the Ontario Association for

the Mentally Retarded, will be brought forward early in 1981, the year designated the International Year of Disabled Persons.

The corporation also took important steps this year toward improving its communications with the general public and the media.

As well as adopting the ministry's open information stance, the corporation has encouraged both its staff and the local housing authorities to actively promote the positive aspects of the assisted rental housing program.

Turning to the bricks and mortar aspects of OHC's activities, I am pleased to report that the corporation is including many worthwhile energy conservation measures in its on-going maintenance and upgrading programs.

Through a three-year, \$10 million program, the corporation intends to cut its energy costs by about \$5 million a year—a considerable savings to the taxpayers of Ontario.

The final months of the year saw the corporation's activities come under extensive legislative review by the Standing Committee on the Administration of Justice.

Most of the committee's deliberations centred on the policies and operations of OHC although the ministry's role in the Municipal Non-Profit Housing Program also came under some scrutiny.

As well as reviewing various programs with OHC and ministry officials, the committee heard briefs from tenant and community groups and a number of experts in the housing field.

Although most of the hearings were held at Queen's Park in Toronto, the committee members also travelled to Ottawa, Kingston, Windsor and Hamilton to hear from groups in those communities.

At year's end the committee had completed a report of its findings and recommendations which is expected to be tabled in the legislature early in the new year.

In closing, I would like to conclude this report with a few personal remarks on this, my first year as chairman of the board of directors.

As well as enjoying the support and encouragement of my fellow board members during the past year I have had many opportunities to meet with OHC personnel and members and staff of local housing authorities from across the province.

A good rapport has been established with the Association of Ontario Housing Authorities, which represents the more than 400 private citizens who voluntarily serve as members of the authorities.

Finally, let me say that I have been very impressed with the dedication of all the people connected with this worthy service to our less fortunate neighbors.

The experiences of the past year have been personally quite rewarding and have made me feel proud of the corporation's efforts to provide decent, safe and affordable homes for the 200,000 people we serve.

Allan R. Moses
Chairman

Ontario Housing Corporation

Ontario Housing Corporation provides rent-geared-to-income housing for families and senior citizens with low and moderate incomes as well as physically-handicapped individuals. It is responsible for managing the rental properties, either directly or through agreements with local housing authorities. OHC also acquires the use of accommodation in properties not owned by the corporation, through rent supplement programs.

Assisted housing production

During the year, construction began on 515 units. (Statistics used elsewhere in this report may vary due to differences in fiscal years.)

A total of 11 tender-calls were issued for a total of 234 units.

One site was acquired by the Ministry of Government Services on behalf of OHC for 15 senior citizen housing units.

Rent Supplement Program

The corporation secured rent supplement units during the year to bring the total at the year end to 9,896. These units provide accommodation for rent-geared-to-income tenants in buildings owned by private landlords and help to integrate low-income tenants into the community.

Completions

In 1980, there were 23 projects taken under administration, for a total of 905 units.

Housing management

At year's end, the corporation had the following units in its portfolio:

Family	48,038
Senior citizen	35,637
Total	83,675

In addition, OHC was administering Rent Supplement Program agreements covering 9,896 units.

Tenant placement

Tenant placement waiting list as of Dec. 31, 1980:

Family	10,447
Senior citizen	8,097
Total waiting list family and senior citizens	18,544

Housing operations Ontario

At the year's end the portfolio of units owned by the corporation stood at 83,675, made up of 48,038 family and 35,637 senior citizen units, managed by 60 housing authorities and two direct management operations, reflecting an increase of two housing authorities during the year under review. In addition, the number of units administered by private landlords under the Rent Supplement Program totalled 9,896 units.

A significant event during 1980 was the inauguration of the Metropolitan Toronto Housing Authority, on Oct. 6, having been constituted by order-in-council on June 24, 1980. The largest housing authority in Ontario, it is responsible for the management of over 29,400 public housing units, serving an estimated population of 86,000.

The establishment of the MTHA reflects the provincial government's continuing commitment to a decentralized approach to the management of subsidized accommodation in Ontario.

Operational planning branch

A particularly significant achievement was the development and introduction of a new policy concerning the eligibility of senior citizens for subsidized housing and the method of calculating rent. This new policy eliminated any restrictions in relation to the eligibility of senior citizens who have financial or material assets. A method for rent calculation was developed which ensures that seniors with assets will be charged rents in accordance with their ability to pay, but not exceeding local market rent for similar accommodation.

In addition, preliminary research was undertaken towards the development of an operational policy and the supporting procedures necessary for the introduction of a program to offer subsidized housing to developmentally-handicapped persons under age 60.

A revised procedure for calculating rent in terms of income was introduced for families and senior citizens in receipt of social assistance. This procedure superseded the former shelter allowance system.

Once again, the annual summer recreation program for families in 58 projects in Metro Toronto and in the portfolios of 28 housing authorities was successfully carried out. This program was operated with financial assistance from the Ontario Youth Secretariat and employed student staff drawn from local communities, many of whom were themselves residents in assisted housing projects.

An intensive program of support to housing authorities took place during 1980 in regard to the field manual of administrative procedures.

A concentrated field program in regard to occupational health and safety was carried out as a cooperative effort between the maintenance engineering and operational planning branches.

Maintenance engineering branch

The preparation of plans and specifications, the calling of tenders and administration of major upgrading and remedial works on projects owned by the corporation continued during 1980.

Over 400 sets of tender documents were provided to housing authorities throughout the province for remedial and upgrading works; the largest number to the Metropolitan Toronto Housing Authority. The plans and specifications included designs involving all areas of building technology (architectural, structural, mechanical, electrical, landscaping, elevators).

Multi-year programs set up by the branch for housing managers include conservation, sprinkler system upgrading and the inspection and testing of emergency and fire alarm systems (dynamic testing).

A correspondence course in safety was set up for staff of the housing authorities; 150 staff members actively participated in 1980 and submitted tests to the safety programs coordinator.

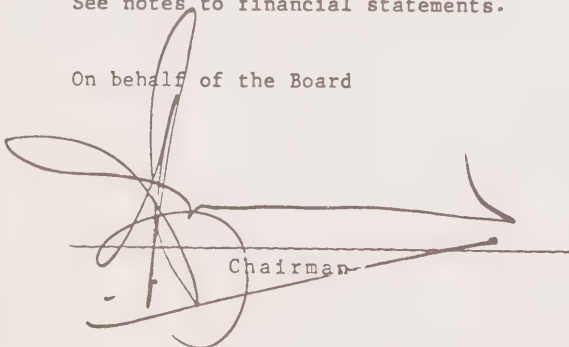
ONTARIO HOUSING CORPORATION
Incorporated without share capital under
The Ontario Housing Corporation Act

Balance Sheet
December 31, 1980

ASSETS	1980	1979
Accounts receivable (Note 4)	\$ 5,851,140	\$ 29,976,547
Operating funds due from the Treasurer of Ontario	62,371,955	52,225,798
Other assets	437,637	522,761
Mortgages and loans receivable	8,453,419	3,834,118
Land leased, at cost	2,307,583	2,234,074
Investment in properties under development, at cost (Note 5)	25,623,861	60,632,312
Investment in Federal-Provincial properties, at cost, less accumulated amortization of \$2,920,520; 1979 - \$2,647,185 (Note 6)	13,157,930	11,904,035
Investment in rental housing properties on leased land, at cost, less educational institutions' equity of \$2,998,598; 1979 - \$2,692,129 (Note 7)	65,303,538	65,610,007
Rental housing properties, at cost, less accumulated amortization of \$32,999,635; 1979 - \$28,629,855 (Note 8)	<u>1,262,712,509</u>	<u>1,224,223,212</u>
	<u>\$1,446,219,572</u>	<u>\$1,451,162,864</u>
Asset of property damage fund (Note 3b)	<u>\$ -</u>	<u>\$ 297,334</u>

See notes to financial statements.

On behalf of the Board


Chairman


General Manager

LIABILITIES	1980	1979
Bank indebtedness	\$ 5,290,171	7,789,453
Accounts payable and accrued liabilities (Note 9)	53,210,458	54,491,051
Holdbacks and deposits on construction contracts	2,345,947	3,290,725
Mortgages, debentures and similar indebtedness (Note 10)		
- Canada Mortgage and Housing Corporation	1,195,588,066	1,181,351,215
- Other	11,122,031	1,409,230
Capital indebtedness to the Treasurer of Ontario (Note 10)	178,662,899	202,831,190

	<u>\$1,446,219,572</u>	<u>\$1,451,162,864</u>
Reserve of property damage fund (Note 3b)	<u>\$ -</u>	<u>\$ '297,334</u>

ONTARIO HOUSING CORPORATION

Statement of Operations Year ended December 31, 1980

	1980	1979
LOSS ON HOUSING OPERATIONS		
Provincial housing operations		
Rental revenue	\$ 106,037,126	\$ 97,766,714
Expenses		
Property operating expenses	154,265,948	142,038,960
Grants in lieu of municipal taxes	45,702,852	42,297,913
Amortization (Note 8)	<u>104,895,450</u>	<u>102,913,316</u>
	<u>304,864,250</u>	<u>287,250,189</u>
Loss on provincial housing operations (Note 11)	198,827,124	189,483,475
Loss on rent supplement operations (Note 12)	<u>33,911,587</u>	<u>29,426,300</u>
	232,738,711	218,909,775
Less: Canada Mortgage and Housing Corporation and municipalities shares	<u>119,719,656</u>	<u>124,688,794</u>
	113,019,055	94,220,981
Federal-Provincial housing operations loss (Schedule 1)(Note 13)	3,093,957	2,447,395
Provincial contributions to municipal housing projects (Note 14)	<u>8,191,910</u>	<u>5,366,893</u>
Loss on housing operations	<u>124,304,922</u>	<u>102,035,269</u>
OTHER REVENUE AND EXPENSES		
Other revenue		
Interest	7,729,824	9,540,980
Administration and management fees	8,556	-
Sundry	<u>95,380</u>	<u>135,700</u>
	7,833,760	9,676,680
Other expenses		
Interest (Note 15)	8,734,830	7,642,608
Loss from sale of real property	360,628	580,116
Administration (Schedule 2)	<u>4,008,909</u>	<u>6,081,195</u>
	<u>13,104,367</u>	<u>14,303,919</u>
Net other expenses	5,270,607	4,627,239
Net operating loss for the year	<u>\$129,575,529</u>	<u>\$ 106,662,508</u>

See notes to financial statements.

ONTARIO HOUSING CORPORATION

Statement of Operating Funds Due from the Treasurer of Ontario
Year ended December 31, 1980

	1980	1979
Balance, beginning of year	\$ 52,225,798	\$ 41,803,689
Add: Net operating loss for the year	<u>129,575,529</u>	<u>106,662,508</u>
	181,801,327	148,466,197
Less: Funds provided during the year - net	<u>119,429,372</u>	<u>96,240,399</u>
Balance, end of year	<u>\$ 62,371,955</u>	<u>\$ 52,225,798</u>

See notes to financial statements.

SCHEDULE 1

ONTARIO HOUSING CORPORATION

Loss on Federal-Provincial Housing Operations
Year ended December 31, 1980

	1980	1979
Rental revenue	<u>\$ 8,696,149</u>	<u>\$ 8,504,420</u>
Expenses		
Property operating expenses	15,072,359	13,660,572
Grants in lieu of municipal taxes	3,273,981	2,965,692
Amortization (Note 6)	<u>3,616,915</u>	<u>3,539,290</u>
	<u>21,963,255</u>	<u>20,165,554</u>
Loss on partnership housing operations	13,267,106	11,661,134
Less: Canada Mortgage and Housing Corporation and municipalities shares	<u>10,173,149</u>	<u>9,213,739</u>
Federal-Provincial housing operations loss (Note 13)	<u><u>\$ 3,093,957</u></u>	<u><u>\$ 2,447,395</u></u>

See notes to financial statements.

SCHEDULE 2

ONTARIO HOUSING CORPORATION

Administration Expenses
Year ended December 31, 1980

	1980	1979
Salaries and benefits	\$ 370,442	\$ 512,085
General and office expenses	79,118	37,951
Transportation and communication	4,534	12,556
Supplies and equipment	4,089	14,903
Other	19,063	63,230
Administrative support services (Note 16)	<u>9,298,837</u>	<u>11,982,708</u>
	9,776,083	12,623,433
Less: Recovery of administration expenses	<u>5,767,174</u>	<u>6,542,238</u>
	<u>\$ 4,008,909</u>	<u>\$ 6,081,195</u>

See notes to financial statements.

ONTARIO HOUSING CORPORATION
Notes to Financial Statements
December 31, 1980

1. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to 1980 presentation.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting Basis

The Corporation operates on the cash basis of accounting during the year, and the accrual basis for financial statement purposes.

(b) Investment in Federal-Provincial Properties

Land and building costs of Federal-Provincial partnership properties are amortized over the 50 year term of the corresponding partnership agreements.

(c) Investment in Rental Housing Properties on Leased Land

Building costs of student housing accommodation constructed on land leased from educational institutions are amortized over the terms of the land leases.

(d) Rental Housing Properties

Land and building costs of wholly owned provincial projects are amortized over the 50 year term of the corresponding indebtedness.

(e) Capitalization of Costs

Carrying charges for properties under development are capitalized and include interest, administration expenses and grants in lieu of municipal taxes.

3. SIGNIFICANT CHANGE IN OPERATIONS

(a) Elimination of 7 1/2% Municipal Sharing in Losses of Housing Operations

On March 11, 1980, the Government of Ontario announced its intention to assume the municipal share of losses on all assisted housing programs. The new cost-sharing arrangement affects the Corporation's losses on provincial, federal-provincial and rent supplement programs, effective April 1, 1980.

(b) Elimination of Property Damage Reserve

Effective January 1, 1980, the Corporation initiated full property damage cost sharing under a revised arrangement with Canada Mortgage and Housing Corporation. Accordingly, the reserve maintained for this purpose was discontinued and the funds credited to project expense.

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of:

	1980	1979
Municipalities	\$3,946,522	\$15,662,370
Due from affiliates	476,974	13,444,196
Other	<u>1,427,644</u>	<u>869,981</u>
	<u>\$5,851,140</u>	<u>\$29,976,547</u>

5. INVESTMENT IN PROPERTIES UNDER DEVELOPMENT

Carrying charges for properties under development were capitalized in the amount of \$2,885,763 (1979 - \$3,346,218).

6. INVESTMENT IN FEDERAL-PROVINCIAL PROPERTIES

The municipalities were requested to transfer their 7 1/2% investment in Federal-Provincial properties to the Province of Ontario as the result of the Corporation's assumption of the municipal share of housing operations losses. This investment is now in the process of being acquired by the Corporation from the Province of Ontario.

The balance reported as at the statement date is the Corporation's share of investment less accumulated amortization. The amortization charge is made up as follows:

	1980		1979	
	Corporation	C.M.H.C.	Corporation	C.M.H.C. and Municipalities
Principal re-payments	\$ 273,335	\$ 636,980	\$171,545	\$ 645,004
Interest	<u>731,945</u>	<u>1,974,655</u>	<u>579,954</u>	<u>2,142,787</u>
	<u>\$1,005,280</u>	<u>\$2,611,635</u>	<u>\$751,499</u>	<u>\$2,787,791</u>
Total amortization per Schedule 1		<u>\$3,616,915</u>		<u>\$3,539,290</u>

The Corporation's share of principal repayment of \$273,335 (1979 - \$171,545) is credited to accumulated amortization.

7. INVESTMENT IN RENTAL HOUSING PROPERTIES
ON LEASED LAND

These properties represent capital costs incurred by the Corporation to provide student accommodation on land leased from 11 universities and colleges. The educational institutions make semi-annual repayments of the capital advances. When the loan is fully repaid the title to the properties will be transferred to the respective institutions.

The educational institutions' equity is as follows:

	1980	1979
Balance, beginning of year	\$2,692,129	\$2,405,204
Repayments during the year	<u>306,469</u>	<u>286,925</u>
Balance, end of year	<u>\$2,998,598</u>	<u>\$2,692,129</u>

8. RENTAL HOUSING PROPERTIES

Amortization charge of wholly-owned rental housing properties, the principal repayments portion of which is credited to accumulated amortization, as shown in the Statement of Operations is made up as follows:

	1980	1979
Principal repayments	\$ 4,369,780	\$ 4,197,195
Interest	<u>100,525,670</u>	<u>98,716,121</u>
Total amortization	<u>\$104,895,450</u>	<u>\$102,913,316</u>

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	1980	1979
Canada Mortgage and Housing Corporation	\$ 21,174,347	\$ 23,570,187
Other	<u>32,036,111</u>	<u>30,920,864</u>
	<u>\$ 53,210,458</u>	<u>\$ 54,491,051</u>

10. MORTGAGES, DEBENTURES AND CAPITAL INDEBTEDNESS

The Corporation borrows funds from Canada Mortgage and Housing Corporation, Treasurer of Ontario, and the private sector to finance investments in real property. Such borrowings are repaid in varying amounts, depending upon agreement terms, over periods normally not in excess of 50 years. Scheduled repayments over the next five years for all long-term debt are as follows:

1981	\$5,520,541
1982	5,986,792
1983	6,475,772
1984	6,992,469
1985	7,538,803

11. LOSS ON PROVINCIAL HOUSING OPERATIONS

Provincial housing properties are owned and administered by the Corporation. Cost of this program is shared with Canada Mortgage and Housing Corporation and two hundred and ninety-two municipalities. The municipal partnership participation ceased in accordance with the cost-sharing change referred to in Note 3(a)

12. LOSS ON RENT SUPPLEMENT OPERATIONS

Under its rent supplement programs, the Corporation provides rent-gearred-to-income accommodation within the private sector to applicants from its waiting list. The costs of these programs are shared with Canada Mortgage and Housing Corporation and eighty municipalities. The municipal partnership participation ceased in accordance with the cost-sharing change referred to in Note 3(a). As at December 31, the following units were under contract with landlords throughout the province:

	1980	1979
Commercial rent supplement units	9,687	9,399
Community sponsored rent supplement units	<u>4,049</u>	<u>3,080</u>
	<u>13,736</u>	<u>12,479</u>

13. FEDERAL-PROVINCIAL HOUSING OPERATIONS LOSS

Federal-Provincial housing properties were developed under partnership agreements by Canada Mortgage and Housing Corporation and are administered by the Corporation and thirty-four housing authorities throughout the province. Cost of this program is shared with Canada Mortgage and Housing Corporation and forty-one municipalities. The loss reported in the Statement of Operations represents the Corporation's share only. The municipal partnership participation ceased in accordance with the cost-sharing change referred to in Note 3(a).

14. PROVINCIAL CONTRIBUTIONS TO MUNICIPAL
HOUSING PROJECTS

The Corporation contributed \$8,191,910 (1979 - \$5,366,893) to The Metropolitan Toronto Housing Company Limited towards operating costs for senior citizen apartment units.

15. INTEREST EXPENSES

In the early part of 1980, a settlement was reached with respect to the outstanding condominium buy-back financial guarantees. Under the agreement with the construction companies, interest in the amount of \$6,309,618 was paid and expensed during the year and the Corporation was released from any further liability

16. ADMINISTRATIVE SUPPORT SERVICES

The Ministry of Housing provides central administrative support services to the Corporation. The charge for such support services was determined on a basis acceptable to both the Corporation and the Ministry.

17. COMMITMENTS

The Corporation is committed to spend an estimated additional \$7,131,000 to complete properties under development in accordance with development agreements entered into with various contractors.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381


To the Members, Ontario Housing Corporation, and
to the Minister of Municipal Affairs and Housing.

I have examined the balance sheet of Ontario Housing Corporation as at December 31, 1980 and the statements of operations and operating funds due from the Treasurer of Ontario for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1980 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements, applied on a basis consistent with that of the preceding year.

In accordance with section 12 of The Ontario Housing Corporation Act, a report on the audit has been made to the Corporation and to the Minister of Municipal Affairs and Housing.

Toronto, Ontario,
June 26, 1981.


F.N. Scott, F.C.A.,
Provincial Auditor.



Office of the
Deputy Minister

Ministry
of
Housing

Hearst Block
Queen's Park
Toronto Ontario
M7A 2K5
416/965-3411

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF HOUSING

SIR:

I have the pleasure on behalf of the Board of Directors of submitting for your approval, the Annual Report of the Ontario Land Corporation for the fiscal year ending March 31, 1981.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "R.M. Dillon", with a long horizontal stroke extending to the right.

R.M. Dillon
Chairman of the Board

Ontario Land Corporation

Board of directors

R.M. Dillon, chairman
R.M. McDonald, vice-chairman and chief executive officer (to March 20, 1981)
R.W. Riggs, vice-chairman and chief executive officer (March 21, 1981)
H.W. Hignett
J.H. Joyce
A.J. Trusler
W. Wronski

The year in review

With consolidation of all operations related to provincially-owned residential, commercial and industrial lands successfully completed, Ontario Land Corporation launched comprehensive programs to meet its long-term mandate to manage and market those lands in a manner that would take full advantage of development opportunities.

Inherent in this approach was a decision to undertake greater co-operation with the private sector and to work more closely with municipalities to ensure that development plans corresponded to and complemented the growth patterns of communities where these lands are located.

This was initiated in a period that was, from an economic viewpoint, particularly volatile. Canada's gross national product fluctuated considerably throughout the year. This was matched by interest rates which reached 17.5 per cent in April, dropped to 12.25 per cent in July, then soared to 18.25 per cent in December.

For the housing sector it was a difficult time. Nationally, housing starts registered their fifth straight year of decline to a low of 158,600. This trend was particularly evident in Ontario, where 1980 starts dropped to 40,000 units—less than half the 1976 total.

The uncertain economic atmosphere brought intense competition to the marketplace. Nevertheless, the corporation, following a rationalization of its land holdings, was able to adopt flexible policies and procedures to meet

its objective of optimizing the return on the province's land investment.

In fiscal 1980-81, executed sales agreements totalled more than \$50 million compared with \$40 million the previous year. These sales consisted of 1,156 serviced residential lots and 205.62 hectares of high-density residential block lands, commercial, industrial and institutional lands.

More than \$38 million of sales agreements executed in prior years and in fiscal 1980-81 were closed.

Malvern

In Malvern, OLC's most mature community project, where the population is now approaching the 30,000 level, servicing contracts were awarded for two residential areas, totalling 265 units.

In addition, development of the central core area was launched. Construction began on the church campus and the recreation and library complex. A sale of the community's commercial centre was finalized. And, the construction of a major shopping plaza is slated to begin in the spring of next year.

Plans for a 36-hectare industrial park in Malvern were registered and a start made on servicing. This will bring the total industrial land component of Malvern to its planned level of approximately 73 hectares.

Townsend

In Townsend, OLC's major new community project in the Haldimand-Norfolk region of Southwestern Ontario, emphasis shifted from servicing to home building in the first stage development plan. With the completion of the parkway system, the installation of interim sewage services and the completion of roads and underground services, five area builders began construction of 22 homes in the Model Court.

These homes, including single-detached, semi-detached and on-street

townhouses, were completed and opened for inspection in November. Shortly thereafter, the first family moved in. By year's end, 40 homes were under construction and 20 sales completed.

In keeping with our commitment to provide a balanced community, the corporation called tenders for construction of the first phase of the Village Centre commercial complex. A \$1.86 million contract was awarded for the 2,181 square metre facility with completion designated for late summer, 1981.

Work also progressed on the recreational facilities within the community, with tenders awarded for park facilities, tennis courts and Quarry Lake. All are expected to be operational in the coming year.

Negotiations continued with the local authorities towards development of a civic administration complex in the new community's town centre.

Other developments

Significant sales were also made in other areas of Ontario: In Hamilton, 210 units in four developments were sold; in Kitchener, 92 units were sold; 78 units in Guelph; 123 units in Sudbury; 37 in Garson; 35 in Sarnia and 26 in Welland.

The corporation also sold and optioned 197 units in the Saltfleet project in Stoney Creek. With respect to this development, the corporation prepared a revised development plan. Predicated on lower population projections, the plan will be presented to town council early in the next fiscal year. It calls for a major re-orientation towards lower-density housing and envisages a community of approximately 6,700 new housing units by the year 2001 with a total population of about 25,000. It is proposed that the name of the project, which will provide a recreation-oriented community offering job opportunities, be changed to Heritage Green.

Major block land sales occurred in Thunder Bay (64.2 hectares), Red Lake (63.16 hectares) and 54.1 hectares in

Malvern, including 13.23 hectares for commercial use and 5.99 hectares for industrial development.

Future development

With regard to future development, the corporation was active on many fronts.

In Seaton, the proposed new community east of Metro Toronto, an application for an official plan amendment was submitted to Durham Region for defining land usage within the major urban area.

Because of the decision to postpone construction of Seaton, negotiations were undertaken with the region which will lead to a two-step official plan approval process. The first will be related to land-use designation only; the second will cover all aspects of implementation. The timing of the second application will be decided following negotiations with Durham Region and the Town of Pickering, and in recognition of economic and market conditions at the time.

In Malvern, a revised official plan amendment and draft plan were considered by the Borough of Scarborough for neighborhood two of approximately 1,200 units, with development slated for 1982. Official plan approval was also requested for the last residential area of this community (neighborhood three) which is slated for development in 1983.

Zoning and severance approval was granted on the commercial and industrial portion of the Peterborough assembly. Industrial sales have begun and it is anticipated that the commercial centre will be sold in 1981-82.

Draft approval was received from the City of Nepean to the Borden Farm plan. Servicing of 500 residential units as well as commercial and institutional blocks will begin in the fall, 1981.

Secondary plan approval has been received for an assembly of approximately 50 hectares in Bowmanville.

In the Hamilton area, cost and land-use studies were completed on the residual block lands on Hamilton Mountain.

At Mohawk Gardens, a market study was carried out for phase II and draft plan approval was obtained for 186 units in phase III, the last phase of the project.

In the London Kipp's Lane subdivision, street townhousing blocks were resubdivided into 52 single-family lots. A subdivision agreement was executed for the proposed resubdivision of additional block lands into 109 singles and semi-detached lots.

Land operations

On March 31, 1981, the corporation's inventory totalled 27,721 hectares, of which 27,363 hectares were undeveloped. Of the 24,222 hectares potentially available for lease under the corporation's successful farm-lease program, 95 per cent were covered by 1,130 agreements.

Revenues from leased land amounted to \$2.8 million, while costs for taxes and maintenance totalled \$2,782,000.

Progress was made in resolving a number of outstanding issues and obligations arising from the purchase and expropriation of lands in the North Pickering assembly. Two hearings of the Land Compensation Board were completed and the number of outstanding final settlements on expropriation was reduced to 74 from 117 a year earlier.

During the year, 140 agreements of purchase and sale were prepared and 203 separate land conveyances were made to purchasers.

Treasury and corporate accounting

A review and appraisal of OLC's general treasury and accounting functions was undertaken. This included a review of project land asset accounts by internal staff and an external accounting firm. As a result, revisions were made to the historical cost data—an accounting system review which led to the development of revised systems specifications.

The existing contractual arrangements with Canada Mortgage and Housing Corporation (CMHC) were reviewed, and a method for recovering a portion of the corporation's administrative overhead (for partnership projects) was recommended. Negotiations were initiated with CMHC to improve and rationalize existing partnership and loan-financing arrangements.

ONTARIO LAND CORPORATION

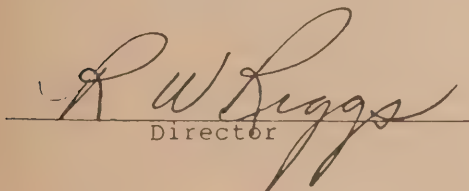
Incorporated without share capital under
the Ontario Land Corporation Act

Balance Sheet
March 31, 1981

	ASSETS	1981	1980
Cash		\$ 34,309,587	\$ 39,660,043
Accounts receivable			
Canada Mortgage and Housing Corporation		9,191,552	-
Mortgage guarantee fund (Schedule 1)		109,795	-
Other		974,079	376,169
Note receivable			
Ontario Development Corporation		666,321	683,375
Mortgages, loans and agreements for sale (note 3)		76,586,066	71,856,277
Leased residential land (note 4)		36,191,990	37,255,771
Investment in land (note 5)		492,980,934	491,600,285
		<hr/>	<hr/>
		<u>\$651,010,324</u>	<u>\$641,431,920</u>
Assets of mortgage guarantee fund (Schedule 1) (note 9)		<u>\$ 1,611,587</u>	<u>\$ 1,482,952</u>

See notes to financial statements.

On behalf of the Board:


Director


Director

ONTARIO LAND CORPORATION

Statement of Retained Earnings
Year ended March 31, 1981

	1981	1980
Balance, beginning of year		
As previously reported	\$ 6,599,900	\$ 2,219,978
Adjustments of prior years' earnings (note 8a)	(7,819,205)	(7,819,205)
Adjustments relating to changes in accounting policy (note 8b)	<u>5,847,640</u>	<u>5,144,413</u>
Balance (deficit) as restated	4,628,335	(454,814)
Earnings for the year (note 8b)	<u>12,138,705</u>	<u>5,083,149</u>
Balance, end of year	<u>\$16,767,040</u>	<u>\$ 4,628,335</u>

See notes to financial statements.

LIABILITIES	1981	1980
Accounts payable and accrued liabilities		
Ministry of Housing	\$ 3,545,586	\$ 4,271,321
Ontario Housing Corporation	-	791,182
Canada Mortgage and Housing Corporation	-	2,681,302
Other	2,101,546	741,092
Holdbacks and deposits on construction contracts	2,722,465	780,571
Mortgages, debentures and similar indebtedness		
Canada Mortgage and Housing Corporation (note 6a)	106,262,690	109,403,129
Ontario Mortgage Corporation (note 6b)	1,868,721	1,780,175
Other	896,116	1,156,652
Capital indebtedness to the Treasurer of Ontario (note 7)		
Interest bearing	116,965,384	114,610,151
Non-interest bearing	399,880,776	400,588,010
Retained earnings	<u>16,767,040</u>	<u>4,628,335</u>
	<u>\$651,010,324</u>	<u>\$641,431,920</u>
Continuity of mortgage guarantee fund (Schedule 1) (note 9)	<u>\$ 1,611,587</u>	<u>\$ 1,482,952</u>

ONTARIO LAND CORPORATION

Statement of Earnings Year ended March 31, 1981

	1981	1980
REVENUE (note 10)		
Land marketing operations		
Sales	\$23,145,815	\$17,432,601
Cost of sales	<u>19,506,920</u>	<u>18,484,327</u>
	3,638,895	(1,051,726)
Deferred revenue realized	<u>3,479,071</u>	<u>2,162,315</u>
	7,117,966	1,110,589
Interest		
Mortgages, loans and agreements for sale	7,426,202	7,043,924
Bank deposits	6,213,697	4,984,020
Other	1,361,229	1,564,594
Rental income from leased residential land	<u>3,025,158</u>	<u>3,253,634</u>
	<u>\$25,144,252</u>	<u>\$17,956,761</u>
EXPENSES (note 11)		
Interest		
Treasurer of Ontario	10,717,303	10,374,345
Canada Mortgage and Housing Corporation	8,210,813	8,630,284
Other	<u>572,867</u>	<u>210,587</u>
	19,500,983	19,215,216
Less: interest capitalized during year to investment in land	<u>6,684,132</u>	<u>6,863,404</u>
	12,816,851	12,351,812
Other	<u>188,696</u>	<u>521,800</u>
	<u>13,005,547</u>	<u>12,873,612</u>
Earnings for the year (note 8b)	<u>\$12,138,705</u>	<u>\$ 5,083,149</u>

See notes to financial statements.

SCHEDULE 1

ONTARIO LAND CORPORATION

Mortgage Guarantee Fund
as at March 31, 1981 (note 9)

	ASSETS	1981	1980
Cash		\$ 38,500	\$ 3,198
Securities, at cost, including accrued interest (market value - \$503,415 1980 - \$543,364)		807,170	864,329
Mortgages receivable arising through assignment		827,703	611,660
Mortgages receivable arising from sale of real estate		16,858	16,672
Real estate acquired by foreclosure		20,212	-
Due (to) from Ontario Mortgage Corporation		10,939	(12,907)
Due (to) from Ontario Land Corporation		<u>(109,795)</u>	<u>-</u>
		<u>\$1,611,587</u>	<u>\$1,482,952</u>

CONTINUITY OF FUND

Increases		
Interest income	\$ 148,085	\$ 123,717
Gain on operations	-	950
	<u>148,085</u>	<u>124,667</u>
Decreases		
Loss on disposal of securities	19,243	-
Loss on operations	207	-
	<u>19,450</u>	<u>-</u>
Net increase	128,635	124,667
Balance, beginning of year	<u>1,482,952</u>	<u>1,358,285</u>
Balance, end of year	<u>\$1,611,587</u>	<u>\$1,482,952</u>

See notes to financial statements.

ONTARIO LAND CORPORATION

Notes to Financial Statements March 31, 1981

1. BASIS OF OPERATIONS

Ontario Land Corporation was incorporated as a Crown Corporation by an Act of the Ontario Legislature on March 19, 1975. The affairs and business of the Corporation are managed or supervised by a Board of Directors consisting of a maximum of twelve members appointed by the Lieutenant Governor in Council.

The objective of the Corporation is to promote community and industrial development of land in Ontario by the acquisition, development and marketing of land to persons in the private and government sectors for residential, industrial and commercial purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Provincial, Federal and Municipal Agreements

Under the normal course of business, the Corporation may enter into partnership arrangements with Canada Mortgage and Housing Corporation and with various municipalities for the acquisition, development and marketing of lands. The accounting and administration of such arrangements is performed by the Corporation. These financial statements have been prepared on the proportionate consolidation basis whereby the Corporation records only its share of assets, liabilities, revenue and expenses in partnership projects.

(b) Leased Residential Land

Leased residential land is recorded at the proportionate share of acquisition costs plus capitalized direct costs to the date such land is leased to home owners.

(c) Investment in land

The investment in land is recorded at acquisition cost plus capitalized direct costs. Capitalized direct costs consist principally of interest, grants in lieu of taxes, planning, development, servicing and administrative costs. Revenue from the rental of undeveloped land is applied as a reduction in the investment in land.

No attempt has been made to determine the net realizable value of land inventory as net realizable value is conditional upon the ultimate use which has yet to be determined.

(d) Income Recognition

(i) Marketing Operations

Gains or losses on marketing operations are recognized and taken into income on the date title is conveyed to the purchaser except when the transfer results in the Corporation assuming a non-interest bearing deferred mortgage for the amount of the gain. In such circumstances, the full amount of the gain is deferred and recognized as income only when the status of a non-interest bearing deferred mortgage changes and active repayment begins.

For financial statement purposes, deferred gains, represented by non-interest bearing deferred mortgages, are recorded as a reduction of mortgages receivable to more fairly reflect the appropriate carrying value of such mortgages.

(ii) Leased Residential Land

Rental income from leased residential land is recognized as it becomes due. At the option of the lessee, the lessee may acquire title to the leased land, at which time, the resulting gain or loss on disposal of the land is recognized.

(e) Cost of sales

Land acquisition costs are allocated on an acreage basis to each subdivision under development. As subdivision components are marketed, each component bears its proportionate share of acquisition, direct costs and, where applicable, costs to complete based on an estimated share of net realizable value.

3. MORTGAGES, LOANS AND AGREEMENTS FOR SALE

Details of mortgages, loans and agreements for sale managed by the Corporation, including partnership equities, are as follows:

	1981		1980	
	<u>Total</u>	<u>Other Partners' Equity</u>	<u>Ontario Land Corporation Participation</u>	<u>Ontario Land Corporation Participation</u>
Active residential mortgages and agreements for sale, interest bearing	102,136,231	36,193,495	65,942,736	66,125,991
Non-interest bearing deferred mortgages (note 2d(i))	71,124,781	38,655,766	32,469,015	35,948,086
Builders' mortgages, interest bearing	13,273,309	5,906,146	7,367,163	2,950,613
Other, interest bearing	3,453,027	176,860	3,276,167	2,779,673
	<u>189,987,348</u>	<u>80,932,267</u>	<u>109,055,081</u>	<u>107,804,363</u>
Less deferred gains (note 2d(i))	<u>(71,124,781)</u>	<u>(38,655,766)</u>	<u>(32,469,015)</u>	<u>(35,948,086)</u>
	<u>\$118,862,567</u>	<u>\$ 42,276,501</u>	<u>\$ 76,586,066</u>	<u>\$ 71,856,277</u>

4. LEASED RESIDENTIAL LAND

Details of leased residential land owned by the Corporation, including partnership equities, are as follows:

	1981		1980	
	<u>Total</u>	<u>Other Partners' Equity</u>	<u>Ontario Land Corporation Participation</u>	<u>Ontario Land Corporation Participation</u>
	<u>\$ 47,123,849</u>	<u>\$ 10,931,859</u>	<u>\$ 36,191,990</u>	<u>\$ 37,255,771</u>

5 INVESTMENT IN LAND

Details of the investment in land managed by the Corporation, including partnership equities are as follows:

	<u>1981</u>
Acquisition cost	\$301,404,790
Capitalized costs	
Interest	161,176,431
Development	35,473,601
Other	9,809,661
	<u>507,864,483</u>
Less Other Partners' Equity	<u>(14,883,549)</u>
Ontario Land Corporation participation	<u>\$492,980,934</u>

Comparative information for 1980 has not been presented due to the prior period adjustments referred to in note 8(a).

6. MORTGAGES, DEBENTURES AND SIMILAR INDEBTEDNESS

(a) Canada Mortgage and Housing Corporation

Canada Mortgage and Housing Corporation advances and debentures bear interest at rates from 5.8% to 10.5%. Advances, and accrued interest thereon, are transferred to debentures once the project for which the funds were borrowed is complete. The debentures are repayable over periods not in excess of 25 years and are secured by the assets of the Corporation.

	<u>1981</u>	<u>1980</u>
Advances	\$ 71,012,491	\$ 70,483,755
Debentures under amortization	<u>35,250,199</u>	<u>38,919,374</u>
	<u>\$106,262,690</u>	<u>\$109,403,129</u>

(b) Ontario Mortgage Corporation

At March 31, 1981, the Corporation was indebted to Ontario Mortgage Corporation for mortgages on properties acquired due to default by the mortgagors. Interest and principal repayments are at varying amounts. The outstanding balance at March 31, 1981 is \$1,868,721 (1980 \$1,780,175).

7. CAPITAL INDEBTEDNESS TO THE TREASURER OF ONTARIO

The Corporation obtains funds from the Treasurer of Ontario to finance its investment in undeveloped or partially developed lands, and in mortgages, leases and agreements for sale. These advances are repayable as funds are recovered from the assets for which these advances were made.

(a) Interest Bearing	1981	1980
Advances bear interest at an average of 9.4% (1980 8.8%)	<u>\$116,965,384</u>	<u>\$114,610,151</u>
(b) Non-interest Bearing		
(i) Subject to a maximum of \$399,000,000	\$394,892,795	\$398,643,341
(ii) Subject to a maximum of \$4,942,000, non-interest bearing to March 31, 1985	4,606,688	1,505,080
(iii) Other	<u>381,293</u>	<u>439,589</u>
	<u>\$399,880,776</u>	<u>\$400,588,010</u>

8. RETAINED EARNINGS

(a) Adjustment to Prior Years' Earnings

During the year, the Corporation completed a review of selected land assets to determine physical, legal and accounting status in order to ensure account balances were consistent with corporate accounting policies. As a result of this review, the balance of retained earnings at April 1, 1979, has been adjusted by \$7,819,205, to correct previously recorded capitalized interest, cost of sales and for other adjustments necessary for years prior to 1979. Investment in land has been reduced by a corresponding amount.

(b) Adjustments relating to changes in accounting policy.

During the year, the Corporation changed its method of income recognition on deferred revenue from a repayment formula to the policy indicated in note 2(d). As a result of this change, which has been applied retroactively, earnings for 1980 have been increased by \$703,227 and the cumulative effect to April 1, 1979, of \$5,144,413 reflected as an increase in retained earnings at that date. Had the policy formerly in effect been continued in 1981, earnings for the year would have been approximately \$1.8 million less than reported in the accompanying financial statements.

9. MORTGAGE GUARANTEE FUND

The fund was established to secure a portion of the contingent liability of the Corporation for guarantees given for mortgages provided by private sector lenders.

The outstanding balance approved lenders' mortgages guaranteed by the fund at March 31, 1981 is \$26,042,647 (1980 \$28,806,720).

The Province of Ontario is liable for balances in excess of the fund.

A summary of the fund's activities from inception is as follows:

	1981	1980
Fee revenue	\$ 828,130	\$ 828,130
Interest income	797,398	649,313
	<u>1,625,528</u>	<u>1,477,443</u>
Net gain (loss) from operations	(13,941)	5,509
	<u>\$1,611,587</u>	<u>\$1,482,952</u>

10. REVENUE

Details of revenue received by the Corporation, including partnership equities, are as follows:

	1981		1980	
	Total	Other Partners' Equity	Ontario Land Corporation Participation	Ontario Land Corporation Participation
Land marketing operations				
Sales	\$38,341,433	\$15,195,618	\$23,145,815	\$17,432,601
Cost of sales	(31,106,989)	(11,600,069)	(19,506,920)	(18,484,327)
	<u>7,234,444</u>	<u>3,595,549</u>	<u>3,638,895</u>	<u>(1,051,726)</u>
Deferred revenue realized	9,840,667	6,361,596	3,479,071	2,162,315
	<u>17,075,111</u>	<u>9,957,145</u>	<u>7,117,966</u>	<u>1,110,589</u>
Interest				
Mortgages, loans and agreements for sale	12,433,238	5,007,036	7,426,202	7,043,924
Bank deposits	6,213,697	-	6,213,697	4,984,020
Other	1,361,229	-	1,361,229	1,564,594
Rental income from leased residential land	3,839,793	814,635	3,025,158	3,253,634
Total	<u>\$40,923,068</u>	<u>\$15,778,816</u>	<u>\$25,144,252</u>	<u>\$17,956,761</u>

11. ADMINISTRATIVE EXPENSES

For the 1981 year, the cost of general administrative expenses was absorbed by the Ministry of Housing. For 1980, this cost, amounting to approximately \$3.7 million, was paid to the Ministry by the Corporation and capitalized to investment in land.

12. CONTINGENCIES

Certain owners of land, whose property was expropriated by the Corporation, have applied to the Land Compensation Board of Ontario for reassessment of the compensation paid on the expropriation of their land. The additional compensation that may be awarded, which is to be determined by arbitration and negotiation, is estimated at a maximum of \$7 million. During the year, the Corporation paid settlements amounting to \$2.2 million. The amount of such settlement has been added to the cost of the acquired land. Settlement, if any, made with respect to the outstanding actions, would be accounted for as a charge to the cost of land in the period in which settlement occurs.

13. RELATED PARTY TRANSACTIONS

During the normal course of business, the Corporation enters into numerous transactions with other Federal, Provincial and Municipal authorities in order to accomplish its corporate objectives. These related party transactions have not been disclosed herein because of the nature and frequency.

14. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform with the presentation adopted in 1981.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381

To the Board of Directors of the Ontario Land Corporation and
to the Minister of Municipal Affairs and Housing.

I have examined the balance sheet of the Ontario Land Corporation as at March 31, 1981 and the statements of earnings and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1981 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in the method of income recognition on deferred revenue referred to in note 8b to the financial statements, on a basis consistent with that of the preceding year.

In accordance with section 29 of the Ontario Land Corporation Act a report on the audit has been made to the Corporation and to the Minister.

Toronto, Ontario,
December 3, 1981

A handwritten signature in cursive script, reading "D.F. Archer".

D.F. Archer, C.A.,
Assistant Provincial Auditor.



Ministry Ontario
of Mortgage
Housing Corporation

60 Bloor Street West
Toronto, Ontario
M4W 3B8

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF HOUSING

SIR:

On behalf of the Directors, I am pleased to
present to you the Annual Report and Statement
of Accounts of Ontario Mortgage Corporation
for the year ending March 31, 1981.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'H. W. Hignett'.

H.W. HIGNETT, M.B.E.
Chairman of the Board and President

Ontario Mortgage Corporation

Board of directors

H.W. Hignett, chairman of the board
and president
A.J. Trusler, deputy chairman and
senior vice-president
Mrs. Maryon Brechin*
M.J. Closs
R.J. Hand*
P.F. Little
Mrs. L. Martini
R.M. McDonald
C.C. Parsons
S.G. Payne

*No longer serving

Report of the chairman of the board

The availability of mortgage funds in the private sector during 1980/81 was more than adequate, and Ontario Mortgage Corporation continued its policy of not participating in the funding of new mortgage programs for home ownership.

However, extremely low rental vacancy rates in many areas of the province resulted in the development of the Ontario Rental Construction Loan Program which is being administered by OMC. This program offers interest-free loans of \$4,200 to \$6,000 per eligible rental unit and is designed to stimulate the private construction of 15,000 rental housing units in Ontario. The program also ensures units specifically designed for the disabled as well as units for the Rent Supplement Program.

In previous years, OMC has sold parts of its mortgage portfolio. However, due to the instability of interest rates resulting in poor market conditions, no further sales took place during the fiscal year 1980/81.

Mortgage assets under administration at year end amounted to \$833 million, including \$60 million in real estate holdings, \$230 million administered on behalf of Ontario Land Corporation, and \$34 million administered on behalf of private investors.

As a result of mortgage default and quit claims, the Corporation continued to acquire additional real estate properties during the first three quarters of the year, but improved economic conditions in the real estate market saw improved sales of acquired units and a major sales campaign was underway at year end to dispose of acquired properties at fair market values throughout the province.

Interest rates continued to rise during 1980/81 and OMC attempted to alleviate these pressures on its borrowers by offering renewal rates between 12.5 per cent and 14.5 per cent.

The officers and staff continue to administer the mortgage and real estate portfolios to meet new challenges and directions without additional resources.

On behalf of the board of directors, I wish to extend my appreciation to the officers and staff of Ontario Mortgage Corporation for their continued high quality of services, dedication and efforts throughout the year.

H.W. Hignett
Chairman

Ontario Mortgage Corporation

The Ontario Mortgage Corporation is responsible for the administration of mortgages and leases originally committed under various home ownership programs, as well as the administration, leasing and sales of an extensive real estate portfolio.

At March 31, 1981, mortgage and leasehold assets under administration totalled \$833 million consisting of 10,242 accounts. This total includes the mortgage and lease portfolio administered on behalf of Ontario Land Corporation in the amount of \$230 million and a smaller portfolio amounting to \$34 million that OMC administers on behalf of private investors as a result of mortgage portfolio sales.

At March 31, 1980, OMC had acquired title to 1,976 units resulting from mortgage defaults. This total is comprised of 1,087 single-family units and eight major rental projects comprising 889 units. Although this number increased during the year, acquisitions declined during the last quarter and the spring real estate market would indicate a successful sales campaign to reduce the real estate portfolio.

During the fiscal year, 3,450 mortgages came up for renewal, totalling a principal balance of \$72.4 million. As approved by the board of directors, interest renewal rates ranged from 12.5 per cent to 14.5 per cent over the course of the year, and OMC was able to offer its borrowers substantially lower rates than those offered in the private sector.

Ontario Mortgage Corporation entered a new phase in January, 1981, with the announcement of the Ontario Rental Construction Loan Program. This program takes the form of interest-free loans ranging from \$4,200 to \$6,000 per rental unit started during 1981, and was designed to stimulate rental construction by the private sector. ORCL was introduced to combat a severe shortage of rental accommodation in various locations in the province, and to bridge the gap between economic rents and market rent levels.

The program's objectives are:

- To stimulate the construction of 15,000 rental housing units in Ontario.
- To generate up to 52,500 man years of employment.
- To ensure that units are specifically designed for the handicapped.
- To ensure the availability of rent-geared-to-income units under the Rent Supplement Program.

At March 31, 1981, response from builders and the construction industry was very enthusiastic and it appeared that this new program would be successful in meeting its objectives.

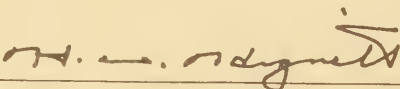
ONTARIO MORTGAGE CORPORATION

Balance Sheet
March 31, 1981

	1981	1980
ASSETS		
Cash	\$ 4,268,683	\$ 2,570,254
Funds on deposit with the Treasurer of Ontario	6,555,965	6,529,050
Securities (market value \$6,233,556; 1980 - \$6,337,663) (Note 1)	8,793,279	9,065,786
Accounts receivable	318,831	640,231
Mortgages (Notes 2 and 4)	506,813,927	528,473,989
Real estate (Notes 3 and 4)	<u>57,580,365</u>	<u>52,110,525</u>
	<u>\$584,331,050</u>	<u>\$599,389,835</u>
LIABILITIES		
Accounts payable and accrued liabilities	2,531,112	2,697,468
Mortgages payable (Note 5)	5,863,073	5,857,807
Advances from the Treasurer of Ontario (Note 6)	<u>568,155,000</u>	<u>584,804,200</u>
	<u>\$576,549,185</u>	<u>\$593,359,475</u>
SHAREHOLDERS' EQUITY		
Capital stock - authorized and issued 10 shares, no par value	\$ 10	\$ 10
Retained earnings	<u>7,781,855</u>	<u>6,030,350</u>
	<u>\$ 7,781,865</u>	<u>\$ 6,030,360</u>
	<u>\$584,331,050</u>	<u>\$599,389,835</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

ONTARIO MORTGAGE CORPORATION

Statement of Earnings
Year ended March 31, 1981

	1981	1980
REVENUE		
Interest (Note 7)	\$59,424,247	\$61,736,860
Other	936,431	890,223
	<u>\$60,360,678</u>	<u>\$62,627,083</u>
EXPENSES		
Interest	\$52,326,239	\$56,125,663
Administration (Schedule 1)	2,683,901	2,501,172
Loss on real estate operations (Note 8)	3,599,033	2,880,289
	<u>\$58,609,173</u>	<u>\$61,507,124</u>
Net earnings for the year	<u>\$ 1,751,505</u>	<u>\$ 1,119,959</u>

Statement of Retained Earnings
Year ended March 31, 1981

Balance, beginning of year	\$ 6,030,350	\$ 4,910,391
Net earnings for the year	<u>1,751,505</u>	<u>1,119,959</u>
Balance, end of year	<u>\$ 7,781,855</u>	<u>\$ 6,030,350</u>

See accompanying notes to financial statements.

SCHEDULE 1

ONTARIO MORTGAGE CORPORATION

Administration Expenses
Year ended March 31, 1981

	1981	1980
Salaries	\$1,584,131	\$1,403,774
Employee benefits	219,265	206,066
Transportation and communication	110,504	100,031
General and office services	740,957	773,884
Supplies and equipment	<u>29,044</u>	<u>17,417</u>
	<u>\$2,683,901</u>	<u>\$2,501,172</u>

See accompanying notes to financial statements.

ONTARIO MORTGAGE CORPORATION

Notes to Financial Statements
March 31, 1981

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Investments

(i) Securities

Securities are stated at cost plus accrued interest. The securities are those that were transferred from the Mortgage Contingency Fund in the 1978-79 financial year.

(ii) Mortgages

Mortgages are stated at cost, which essentially consists of amounts advanced, interest capitalized and accrued, taxes and other charges, less repayments.

(iii) Real Estate

Real estate acquired upon default by mortgagors is carried at cost. Cost includes the mortgage receivable balance, accrued interest thereon, and amounts paid to acquire title of the property. No depreciation is charged on acquired real estate. Operating costs including improvements are expensed as incurred.

A Mortgage and Real Estate Allowance for mortgage and real estate losses is deducted from the applicable investment on the balance sheet. Net capital gains or losses realized on disposal of real estate and mortgages are recorded in the Mortgage and Real Estate Allowance.

(b) Supplies and Equipment

Furniture and equipment purchases for general office use are charged to supplies and equipment in the year of acquisition.

2. MORTGAGES

Mortgages as at March 31, 1981 consist of the following:

	1981	1980
National Housing Act	\$ 74,420,555	\$ 76,043,676
Uninsured	<u>438,978,043</u>	<u>454,384,197</u>
	513,398,598	530,427,873
Mortgage and Real Estate Allowance	<u>6,584,671</u>	<u>1,953,884</u>
	<u>\$506,813,927</u>	<u>\$528,473,989</u>

3. REAL ESTATE

As at March 31, 1981, the Corporation held 2,021 acquired properties (478 acquired in 1980-81) due to default by mortgagors. These properties consist of townhouses, condominium apartments, single family homes and rental apartment complexes.

	As at March 31, 1981	As at March 31, 1980
Acquisition costs of properties - title held by the Corporation	\$47,619,710	\$47,278,420
Properties held under Power of Sale	<u>12,483,128</u>	<u>13,054,699</u>
	60,102,838	60,333,119
Mortgage and Real Estate Allowance	<u>2,522,473</u>	<u>8,222,594</u>
	<u>\$57,580,365</u>	<u>\$52,110,525</u>

Subsequent to the year end, 77 additional units were acquired and 104 units were sold. As well, 2 major rental complexes consisting of 833 units were sold but not closed.

4. MORTGAGE AND REAL ESTATE ALLOWANCE

	1981	1980
Balance, beginning of year	\$10,176,478	\$10,616,289
Mortgage Insurance fees	31,911	-
Net capital loss on sale of real estate	(1,101,245)	(19,565)
Loss on sale of mortgages	-	(420,246)
Balance, end of year	<u>\$ 9,107,144</u>	<u>\$10,176,478</u>

The balance in the allowance account has been deducted from the applicable investment as follows:

	1981	1980
Mortgages	\$6,584,671	\$ 1,953,884
Real Estate	<u>2,522,473</u>	<u>8,222,594</u>
	<u>\$9,107,144</u>	<u>\$10,176,478</u>

5. MORTGAGES PAYABLE

These mortgages represent first mortgages outstanding on acquired rental apartment complexes. The Corporation had second mortgage investments outstanding on these properties and took over title to these properties together with the first mortgages in order to protect its investment. These properties have been sold but not closed subsequent to year end.

6. ADVANCES FROM THE TREASURER OF ONTARIO

The Corporation borrows funds from the Treasurer of Ontario to finance mortgages receivable. Such borrowings are repaid in varying amounts, depending upon repayments by mortgagors, over periods normally not in excess of 50 years.

7. INTEREST

For the year ended March 31, 1981, interest income includes \$2,010,721 (1980 - \$2,272,541) received from the Province of Ontario to reimburse the Corporation for losses arising from lending at negative interest margins.

8. LOSS ON REAL ESTATE OPERATIONS

This essentially consists of maintenance and improvement costs net of rental revenue in respect of the acquired real estate.

9. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate direct remuneration for the eight directors and one senior officer for the year ended March 31, 1981 was \$63,339 (1980 - \$55,329).



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381


To the Shareholders of Ontario Mortgage Corporation.

I have examined the balance sheet of Ontario Mortgage Corporation as at March 31, 1981 and the statements of earnings and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1981 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A report on the audit has been made to Ontario Mortgage Corporation and to the Minister of Housing.

Toronto, Ontario,
July 17, 1981.



F.N. Scott, F.C.A.,
Provincial Auditor.



Ontario
Ministry of
Housing

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A56



Ontario

Ministry of
Municipal Affairs
and Housing

Annual Report 1981/82

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M7A 2K5
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THE HONOURABLE
JOHN B. AIRD, O.C., Q.C., L.L.D.
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the
Legislative Assembly, I have the privilege
of presenting the Annual Reports of the Ministry
of Municipal Affairs and Housing, Ontario
Mortgage Corporation, and Ontario Land Corporation
for the fiscal year ending March 31, 1982,
and the Annual Report of Ontario Housing
Corporation for the calendar year 1981.

Respectfully submitted

A handwritten signature in cursive script, reading 'Claude F. Bennett'.

CLAUDE F. BENNETT
Minister





Ontario

Ministry of
Municipal Affairs
and Housing

Ministère des
Affaires municipales
et du Logement

Queen's Park
Toronto, Ontario
M7A 2K5
416/965-3411

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

I have the honour to submit for your approval
the 1981/82 Annual Report of the Ministry of
Municipal Affairs and Housing.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Ward Cornell". The signature is stylized and fluid, with a long, sweeping underline that extends to the right.

Ward Cornell
Deputy Minister



Policy and program development secretariat

The secretariat initiates, directs, undertakes and co-ordinates program and policy related research. It monitors the community environment, issues and programs, and ensures a ministry response to changing conditions.

The policy development group evaluates and designs alternatives to ministry policies and programs.

This section was active in several policy areas including the initiation, evaluation and monitoring of various shelter, mortgage and rehabilitation programs. These included the Challenge 2000 programs including, in particular, the Enter-Buy Program and Quick-Pay mortgage. Also addressed were changes to the senior citizens' rent scale.

It also represented the ministry on the Interministerial Committee on the International Year of the Disabled Persons. In addition, it provided support services and background material to other government agencies.

The group is responsible for preparing and co-ordinating the ministry's regulatory-reform program. It is also conducting a research and demonstration project to determine the most effective means to achieve acceptable levels of indoor-air quality, and thermal efficiency in tightly-built, energy-conserving construction.

Management planning and evaluation branch

This branch consists of a program analysis section and a surveys and statistical analysis section.

The program analysis group develops and implements the ministry's management reporting, planning and control systems, co-ordinates the establishment of the ministry's future funding requirements and managing-by-results system, monitors program delivery systems and evaluates their effectiveness and maintains operating statistics of ministry programs. The group also co-ordinates the development of the ministry strategic plan.

The surveys and statistical analysis section provides statistical and survey research expertise to the ministry and assembles statistics required for policy development. During the year, major projects included the annual rental market survey conducted in seven Ontario cities to determine rent levels, rent changes and tenant perceptions regarding the quality of maintenance and services. This survey was extended to cover ownership housing in order to study the social and financial characteristics of homeowners. The section also provides statistical expertise to the secretariat, which is researching various aspects of rental housing in Ontario.

This section provides the ministry with regular assessments of the housing market, and represents the ministry on the interministerial statistics committee which co-ordinates the province's requirements for statistics.

This group also administers the municipal housing statements and related grants. In 1981/82, funds were approved for an additional 23 municipalities bringing the total commitments to \$1,517,944 since the program was initiated in 1974. Payments this year totalled \$146,198, bringing total payments to \$1,111,442, resulting in a program commitment of \$406,502.

The secretariat also ensures that the ministry is aware of and responds to changing housing and related policy program issues at the federal, provincial and municipal levels of government. It co-ordinates the ministry's activities regarding federal-provincial and inter-provincial matters.

Intergovernmental policy liaison

The secretariat contributed the province's annual share of the operating budget of the inter-governmental committee on urban and regional research which provides information on issues such as planning, environmental matters and transportation to government agencies across Canada.

Other support activities

The secretariat continued to co-ordinate and participate in the ministry's involvement in international studies of urban problems being undertaken by the organization for economic co-operation and development which consists of Western European countries, Canada, the U.S. and Japan.

Affirmative action program

The goal of the Affirmative Action Program is to achieve at least 30 per cent female representation in all occupational categories and management modules within the ministry and the Ontario Public Service. The program is designed to ensure that women employees have equality of opportunity in career development and advancement. Program staff identify career paths and potentially qualified female candidates for competitions.

In July 1981, with the formation of the Ministry of Municipal Affairs and Housing, some characteristics of the female representation changed from the former Ministry of Housing. There are 595 female employees, 52.33 per cent of the total. Within the administrative module there are 29.81 per cent females, down from 34.87 per cent; the professional module increased to 22.64 per cent females from 16.67 per cent; the administrative services category declined

from 37.39 per cent to 32.65 per cent, and senior management remained at eight per cent female.

There is a continued emphasis on increasing the pool of qualified women to compete for positions, especially in those areas which are represented by less than 30 per cent female (under-represented classes).

Managers planned and implemented 100 accelerated career developments during 1981/82. Ministry hire promotion targets were set in specific under-represented classes and 12 of the 13 targets were met. These plans and targets are part of the ministry MBR process.

By July 1982, the average male salary in the ministry had increased by 19.75 per cent to \$33,506 from \$27,981. The average female salary increased by 26.6 per cent to \$21,903 from \$17,301. The wage gap is closing, but slowly.

The Affirmative Action Program has become increasingly involved with housing authorities throughout the province. There are 2,260 employees in housing authorities of whom 685 are females (30.3 per cent). The Affirmative Action Program in the housing authorities is one of highlighting the potential of female employees and the encouragement of career development initiatives. Each housing authority is encouraged to set career development plans for its staff. These plans can include on-the-job training and rotations, as well as internal and external training courses.

The Women's Advisory Committee, which has representatives from the ministry and the larger housing authorities, met twice in Toronto. Committee representatives are a liaison between the program officers and the women in the work place. Regional meetings were held in Ottawa, London and Sudbury.

The program continues to work with managers in assuring that women are given equal opportunities, which will result in an integrated work place.

Finance and administration division

The finance and administration division supplies management support services to all areas of the ministry and its associated Crown corporations. The division is organized into five main organizational components: financial services, computer and systems support services, personnel and human resources services, procurement and supplies, along with all other associated services activities, and the corporate secretary's office which supplies secretarial services to the boards of directors of the Crown corporations. The finance branch is responsible for the co-ordination and control of the financial management functions of the ministry, its three Crown corporations and housing authorities. The branch discharges its responsibility by ensuring adequate systems and policies are in place respecting budgeting, accounting and financial reporting. The branch, in a controllership role, provides financial policy direction to the entire ministry and establishes procedures for the management of Crown agency and ministry case flows and banking arrangements. During the year major deregulation initiatives were undertaken in the administration of Ontario Land Corporation and Ontario Housing Corporation programs taking into account partnership and debenture financing arrangements with Canada Mortgage and Housing Corporation. For OLC programs such initiatives were completed in co-operation with the development wing, resulting in the conversion of approximately 225 contractual arrangements into three global agreements. Similar actions are still in progress for OHC programs. They should result in a substantial reduction in the number of active contractual arrangements. In addition, direct action taken by staff resulted in the acquisition of 7.5 per cent municipal interest in 75 housing projects throughout the province for a total value of \$3.3 million. An automated cash forecasting system was introduced during 1981 working in co-operation with the Royal Bank of Canada. This is an on-line terminal system and provides the branch's funding function with direct access to daily bank balances in more than 70 OHC

field banking locations. Forecasting and modelling capabilities are part of this system and provide the funding section with virtually full daily use of all existing bank balances at all 70 locations.

The development of additional user manuals and the forms analysis and file system design activities continued to support the ministry's administrative and operating functions.

The personnel services section assisted ministry management in the day-to-day administration of recruitment, job evaluation, classification and employee relations functions. In addition, a major project was completed involving the evaluation and classification of all management jobs in 60 housing authorities.

For the first time in several years, the staff relations section concluded collective agreements in direct negotiations with the Canadian Union of Public Employees in both the Metro Toronto Housing Authority and provincial operations. Both agreements are for a period of two years ending Dec. 31, 1983. The section was also able to effectively reduce the backlog of outstanding grievances through the use of mediation rather than formal hearings before the Crown Employees Grievance Settlement Board.

The manpower planning and staff development section presented such workshops as management development, business communications, assertiveness training and effective presentations. In addition they managed the ministry's goal setting and review process and expanded the computer-based employee information system to include Crown employees. A middle-management training program was instituted as well as new initiatives in skill training for staff involved in property management.

The pay and records section is responsible for processing all payroll and personnel transactions for the ministry staff through the integrated personnel payroll employee benefits system. This section also provides training for housing authority staff on payroll procedures as well as instructs the Royal Bank on all changes required to the payroll system which is used by the housing authorities. The Royal Bank payroll sys-

tem has been expanded to include the recording of the salary and classification history of housing authority employees.

The office of the corporate secretary is responsible for the administrative and staff services associated with the meetings of the directors and shareholders of the three Crown agencies which report to the minister — Ontario Housing Corporation, Ontario Mortgage Corporation and Ontario Land Corporation. This includes both board and committee meetings.

Another initiative taken during the year was the installation of commitment accounting procedures on a pilot basis in selected remote housing authority locations. The pilot operation while highly successful, has proved to be somewhat labor intensive. Management is considering extended applications to improve the overall ministry information system. Studies are also being conducted to extend the existing remote entry terminal network to encompass selected OHC management offices.

System maintenance continued for the ministry's operational and financial information system, but a greater proportion of resources was directed toward the feasibility of new electronic data processing (EDP) systems. The major new systems now under development include the OLC project accounting system, a new tenant placement system for the Metro Toronto Housing Authority and an administration and control system for the plans administration division.

The creation of an information centre was initiated during the latter half of the year. The information centre is made up of a small group of professional staff who will provide training and support for operating staff in the ministry who want to undertake data processing on their own. Expertise in easy-to-use software packages is being acquired which will facilitate data retrieval, financial modelling, statistical analysis, administration procedures and computer graphics.

A review of ministry EDP security practices and procedures was undertaken and included a disaster risk analysis and contingency plan. Many of the recommendations contained in the final report have already been implemented

and this activity will continue during 1982/'83.

As a result of an ongoing review of the feasibility of introducing office technology in the ministry, further expansion of the use of word processing and text editing equipment has taken place. Areas such as the policy and program development secretariat, the human resources branch and the finance branch now have their own dedicated word processing systems.

The two word processing centres have continued to service an increasing number of program delivery areas where dedicated word processing equipment has not yet been introduced, as well as provide occasional overflow and back-up services to those units that have their own equipment.

As an extension of this service, a similar function is carried out for internal committees of the ministry. There is also an involvement in those meetings organized by the ministry which are attended by members of other levels of government and of professional and technical bodies.

The year also marked the first time that the board of OHC permitted delegations to make representations directly to the board at its meetings.

Staff provided service for 271 meetings during the year, including the preparation of agenda and associated material and recording of the proceedings in minute form.

During the year staff members also continued their involvement in the public tendering process, arranging 184 tender openings on behalf of the various components of the ministry. These calls resulted in 773 bids.

The bid and performance securities associated with these tender calls, together with insurance certificates, policies and other related documentation, were retained in safekeeping until release was permissible following satisfactory completion of the work orders. Securities of a negotiable nature were still held in safekeeping as at March 1982, totalled \$1,639,616.

In support of the government's freedom of information initiatives, a study reading room was established in the library. Various manuals, publications and documents are available there for public perusal and copying. If additional information is required inquiries are directed to the appropriate program area.

Increased emphasis was placed on the timely processing of vendor invoices to meet the government's goal of paying bills within 30 days. As a result, interest payments on overdue accounts virtually have been eliminated.

Community planning wing

The function of the community planning wing is to encourage effective community planning throughout the province.

The planning wing also assists in preserving the physical and social character of Ontario's communities by developing and administering programs to help municipalities and their citizens improve their neighborhoods and downtowns.

Plans administration division

The plans administration division (PAD) is responsible for administering a wide range of functions under the Planning Act.

PAD consists of three branches: community planning review branch — central and southwest, community planning review branch — north and east, and generations control branch.

These branches evaluate and make recommendations on application to the minister for official plans, official plan amendments, plans of subdivision and condominium. In municipalities where approval authority has been delegated, the branches monitor the approval functions.

Community planning review branch—central and southwest **Community planning review branch—north and east**

Zoning bylaws are reviewed by these branches and comment on them is made to the Ontario Municipal Board. The branches also approve amendments to the minister's zoning orders.

In addition, they approve applications for the minister's consent and monitor land severances granted by local committees and delegated planning boards.

Other functions include approving applications for the validation of land titles as well as applications for road adjustments, part lot control bylaws and deeming bylaws.

The community planning review branch — central and southwest — is also responsible for handling appeals to decisions on Niagara Escarpment development permits, implementing the Parkway Belt West plan and approving amendments to Parkway Belt regulations.

Operations control branch

The operations control branch consists of the operations review and administrative support sections, the development co-ordination unit and the cartography and drafting unit.

The operations review section reviews and makes recommendations to the minister on the delegation of approval authority under the Planning Act to regions, counties and planning boards. The section also prepares minister's zoning orders for unorganized areas in Northern Ontario.

Other functions include preparing guidelines on planning procedures and co-ordinating ministry comment on environmental assessments.

The administrative support section provides clerical, personnel and general support services to the division.

The development co-ordination unit monitors the long-range provision of serviced land in urban areas and attempts to resolve problems before they impede the even flow of land for development.

Its responsibilities also include outstanding loan and grant commitments made under the Ontario Housing Action Program.

The cartography and drafting unit provides mapping and graphics services to the plans administration division and to other branches within the community planning wing.

Annual statistics, fiscal 1981-82

Development grants

	1981-82	1980-81
New grants	0	0
Total amount paid		
Grants completed or extended	1	2
Total amount paid	\$500,000	\$4,353
	\$500,000	\$4,353

Interest free loans

	1981-82	1980-81
Number of loans made	0	0
Total loans approved	0	0
Amount disbursed	\$256,771	\$4,131,950

Housing incentive grants

	1981-82	1980-81
Amount disbursed	\$247,576	\$4,950

Zoning

	total 1981-82	total 1980-81
Comprehensive and amending bylaws received	4941	4835
Comprehensive and amending bylaws terminated	4892	4856

Zoning orders

Amendment applications received	234	229
Applications terminated	236	275

Minister's consents

Applications received	1238	1354
Applications terminated	1326	1516

Official plans

Proposed official plans received	36	49
Proposed official plan amendments received	819	841
Official plans terminated	45	56
Official plan amendments terminated	859	850

Parkway Belt

Received	130	N/A
Terminated	132	N/A

Niagara Escarpment Commission

	total 1981-82	total 1980-81
Appeals received	107	130
Appeals terminated	112	124

Road adjustment bylaws

Received	299	207
Terminated	293	210

Part-lot control

Received	12	46
Terminated	15	47

Validation

Received	71	72
Terminated	56	73

Subdivision and condominium applications

Received	300	377
Terminated	468	546

Submissions of delegated regions

398	376
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Local planning policy branch

The Planning Act

Bill 159, the new Planning Act, received second reading in the Legislature and was sent to the Standing Committee on General Government for detailed review. The committee, composed of 12 MPPs, held public hearings during February, 1982. Staff provided technical advice and assisted in the evaluation of the 175 public submissions received by the committee.

Lakeshore Capacity Study

The special studies section manages the Lakeshore Capacity Study. This is an interministerial study with participation by the ministries of Municipal Affairs and Housing, Environment, and Natural Resources. This research develops a predictive model, or series of models, to evaluate the impact of proposed cottage development on land and lake environments. The findings will be

useful for official plan preparation and in the subdivision approval process under the Planning Act.

The work focuses on the environmental impact of lakeshore development on water quality, fisheries and wildlife. Since natural ecological processes are involved, field data for several summer seasons were required to provide a scientific base.

Final study reports are in preparation and are scheduled for completion in the fiscal year 1982/83.

Other studies

A revised report *Land Use Planning for Noise Control in Residential Communities*, second edition, encourages municipalities and developers to use land use planning as a noise control measure to minimize the chances of creating noise problem areas.

Monitoring Guidelines — An Approach to Monitoring Official Plans encourages municipalities to review regularly the relevance of the assumptions on which their official plan is based to evaluate the effectiveness of the policies and the subsequent decisions to achieve the plan's objectives. A basic monitoring framework is proposed

Community planning advisory branch

The community planning advisory branch (CPAB) is a decentralized operation with offices in Ottawa, London, Kitchener, Windsor, Sudbury, Thunder Bay and Metro Toronto. It is responsible for promoting community planning through the provision of educational activities, direct financial and technical assistance and advisory services. To minimize duplication in the planning process, heavy emphasis is placed on those areas without planning staff or with insufficient full-time staff.

In 1981/82, the branch organized 90 conferences and seminars for municipalities throughout the province dealing with a variety of planning topics. Staff of the branch also participated in 35 other forums sponsored by various public agencies and private organizations.

Technical assistance

CPAB offers professional planning assistance to many Ontario municipalities on a no-cost consultant basis. During 1981/82 amendments to 12 official plan documents, 30 zoning bylaws or plan amendments, 41 terms of reference for planning studies and 15 other documents were prepared.

The branch also reviews draft planning documents on request, prior to their submission for approval to the Ministry or the Ontario Municipal Board.

Financial assistance

CPAB administered \$1.2 million in grants to assist municipalities with limited financial resources and planning staff to embark on or complete their planning programs.

In 1981/82, 119 municipalities and 17 joint planning boards received provincial commitments for \$1.54 million. First instalments were made during the fiscal year and the outstanding amounts will be provided to municipalities upon completion of individual planning studies.

The grants were made available to produce a variety of documents and to assist in the cost of completing planning programs. Among the 167 documents to be produced are the following:

Official plan documents (new or revised, major amendments or secondary plans)	61
Zoning bylaw documents (new or revised bylaws, major amendments, bylaws to replace minister's zoning orders)	92
Special/other planning studies . . .	14.

The branch also provided \$225,000 to facilitate the administration of planning activities in 15 planning areas containing unorganized territories in Northern Ontario.

CPAB provides funding under regular financial programs for municipalities under 15,000 in population to include an energy conservation through land-use planning component in their planning studies.

This assistance was extended to all municipalities in the 1981/82 fiscal year through funds available from the Ministry of Energy. Commitments totalling \$243,000 to 10 municipalities were made during the initial year of the program.

The branch recommended the establishment of, or alternative to, 20 planning areas. Advice was also provided on the definition, constitution and procedures of various planning boards.

Comments were provided on a selective basis to the plans administration division from a local perspective on the appropriateness and adequacy of planning documents submitted for approval.

Branch staff represented the ministry on a number of planning committees and performed a liaison role with federal agencies and other provincial ministries located in these regions, and with local municipalities and the general public on matters of ministry concern.

Community renewal branch

Community renewal branch

The community renewal branch is responsible for encouraging and facilitating community improvement through assistance to municipalities and the private sector. In carrying out this responsibility, the branch administers a number of provincial and federal/provincial programs in addition to providing advisory services to both municipalities and the private sector on community improvement related issues.

The Ontario neighborhood improvement program (ONIP) was introduced in 1981 after the federal government's termination of the community services contribution program. The ONIP residential neighborhoods consists of areas which are deteriorating but potentially stable and are occupied by low- and moderate-income households. Under ONIP, municipalities receive a 50 per cent provincial grant for projects to upgrade municipal services and social/recreational facilities.

As of the end of the 1981/82 fiscal year, \$12 million had been committed to 47 projects in 46 municipalities. Provincial payments for these projects are expected to be made during the next four fiscal years. Workshops were held across the province to familiarize these municipalities with the program and its administrative procedures.

Management Board of Cabinet has approved a further \$12 million for provincial commitment in the upcoming fiscal year.

The business improvement area (BIA) concept began in 1970 when the province enacted what is now Sect. 217 of the Municipal Act, R.S.O. 1980. This BIA legislation provides local business and retail communities with the opportunity to establish a formal organization to facilitate physical improvements and coordinate marketing and promotional activities within their area.

The branch actively promotes the BIA concept in municipalities and was instrumental in the establishment of the Ontario Business Improvement Area Association (OBIAA). In addition to providing advisory services to established and prospective BIAs, the branch has established a permanent liaison with OBIAA to assist that organization in fulfilling its mandate. As of the end of the 1981/82 fiscal year, there were 155 active BIAs in the province with a cumulative annual budget exceeding \$6.5 million.

Introduced in 1976, the Ontario downtown revitalization program (ODRP) assists eligible municipalities with a maximum population of 125,000 to facilitate privately-funded downtown redevelopment. Public funds are invested in land acquisition, parking facilities and servicing to make a downtown redevelopment project attractive to the private sector. The public sector investment is recovered through land sale and/or leasing, tax increments and contingent income from the downtown redevelopment project. The province provides assistance to municipalities in the form of partially recoverable loans up to a maximum of two-thirds of the approved public sector costs. Total provincial recovery is contingent upon additional revenue being created for the

municipality. There is no firm period for repayment of the loan.

As of the end of the fiscal year, approximately \$48.2 million of a Cabinet appropriation of \$56.5 million has been committed to 12 downtown redevelopment projects in 10 municipalities. Eight projects have been completed and repayment of the loans begun in six of these. However, the monitoring of completed projects and the control of recoveries will continue well into the future.

The Ontario main street revitalization program was introduced in 1978 to assist eligible municipalities with a minimum population of 35,000 to improve and upgrade the downtown core area using the BIA concept. The province provides assistance to municipalities through a maximum \$150,000 loan toward physical improvements and parking projects being undertaken in accordance with BIA plans for the downtown area. Total provincial recovery from the BIA and/or municipality is limited to 110 per cent of the loan maximum 10-year period.

As of the end of the fiscal year, more than \$5.7 million had been committed to projects in 41 municipalities. Of the projects, 29 have been completed and repayment of the loans has begun.

The branch is still actively involved in administering and overseeing renewal programs that have since been terminated by the federal government but which still have provincial dollars committed. These programs are: urban renewal, neighborhood improvement and community services contribution programs. In 1981/82, 166 projects were still in the process of being implemented with an outstanding provincial commitment of approximately \$32 million.

Project planning branch

The project planning branch provides comprehensive advice on community planning to the ministry in support of program delivery, especially where undertakings of government interest are concerned. The wide variety of projects dealt with includes community design and renewal, economic and social planning, regional planning and development, site analysis, engineering and transportation planning, environmental impact and energy conservation. An integral design unit works with the planning staff. Because the planning team is small, it is also able to work closely with consultants employed by the ministry to ensure satisfaction and continuity in the supply of specialist services. Recent projects include development of future-oriented planning approaches for Ontario's aging society, including economic and social issues, transportation planning, urban design and housing components.

The branch developed approaches to solve a variety of community planning and housing concerns in Northern Ontario, such as Chapleau.

Feasibility analysis of "infill" prototypes for two medium-sized communities were carried out and the branch prepared an assessment of how community development patterns and related decision-making affect energy conservation.

Another project was appraisal of various planning proposal documents to determine economic, social and environmental impacts, as support to program delivery.

The branch published a report on saving energy by way of site design. The study demonstrates that by siting normal low-density housing to make use of the local climate, continuous and appreciable savings in the use of energy for space heating can be attained.

In consultation with local planning policy branch, it published a guide on residential site design alternatives in small communities. It shows the options available for subdivision design in economy, aesthetics, and the impacts of environmental factors and energy conservation requirements.

Preparation of concept and draft plans of land for development by Ontario Land Corporation — for example, Malvern in Scarborough — and ongoing advice on planning alternatives were also projects of the branch.

The branch is divided into three sections: policy, programs and special studies. The policy section develops and recommends general provincial policy and legislation in the community planning field. The programs section is responsible for developing provincial policy, planning standards and guidelines applicable to various forms of development. The special studies section undertakes detailed projects, providing the basic research requirements of the branch.

Municipal affairs wing

Local government organization branch

In broad terms, this branch has the responsibility for advising senior management and the minister with respect to the authority and responsibility local government should be accorded in terms of its functions, its organizational arrangements and its structure. The branch works toward local government that can be responsive, responsible and more easily understood.

The branch is involved both in current and topical policy formulation and advice and in longer term policy planning and initiatives. The branch also has responsibility for co-ordinating municipal legislation and carrying forward policy as it is to be expressed and introduced as legislation.

The branch is made up of three sections: the functions policy section, the organization policy section and the legislation section. The objectives and selected current activities of each section are set out below:

Functions policy section

- Assesses and develops proposals to increase the effectiveness of local government and to increase its capacity to set priorities and deliver services.
- Anticipates future trends that will place new demands for services on municipalities.
- Studies existing and proposed arrangements for service delivery by the municipal sector. This includes the division of responsibility between local government and the province and between levels of local government in a two-tier system.
- Communicates with other ministries regarding existing local government policy and the implications that the proposed programs and policies of those ministries will have for municipalities. To this end, section members attend meetings of the policy field cabinet committees.

- Examines the relationships between municipalities and other agencies in local government and makes recommendations for change.

The section provides advice on the proposals of other ministries as they affect local government. Staff participate in interministerial and intergovernmental committees on such varied topics as services to the aged, review of the Fire and Police Acts, transportation of dangerous goods, and animal control.

Municipal powers to license businesses have been completely reviewed. A discussion paper was widely distributed and consultation has taken place with municipal associations, municipalities and business groups. This led to the introduction in the Legislature of a new Municipal Licensing Act.

Organization policy section

- Assists in the development of more effective local government structures, including monitoring requests from restructured areas.
- Undertakes research and policy development on the organizational character of local government to improve its accountability, accessibility and responsiveness to local needs and conditions. Recent activities have included research into public access to information and municipal meetings, and proposals for a revised Municipal Conflict of Interest Act.
- Monitors and assists in the new boundary negotiations process (Bill 197). The Municipal Boundary Negotiations Act was proclaimed in February 1982. The section also monitors boundary change applications exempt from the new procedures.
- Undertakes studies and liaison promoting more effective local government in Northern Ontario.

Legislation section

Objectives and Activities

- The focal point in the ministry for requests for changes in legislation, the

section is informed of the status and content of all legislative proposals; liaises with other branches of the ministry.

- To ensure that the statutes of the ministry are well organized and up to date, the section reviews existing statutes and makes recommendations to modernize and improve the legislation (e.g., the Municipal Act).
- The section provides advice to senior management and the minister on requests for public and private municipal legislation to ensure that the process for public and private legislation is well co-ordinated and effective.

Two recent branch initiatives reflect its interest in long-term policy development. The branch co-sponsors with the municipal finance branch an annual research colloquium with academic researchers to exchange information on current research on local government subjects. Also in 1981-82, the branch launched the local government student research assistance program, which provides grants to assist students with the costs of undertaking theses, dissertations and research papers on topics related to local government in Ontario.

Municipal finance branch

The municipal finance branch is responsible for the development of policy and legislation intended to ensure the long term financial viability of Ontario municipalities with respect to their revenue base; expenditure level and cost-sharing among municipalities and individual taxpayers.

In performing its role, the branch undertakes empirical and policy research (e.g., the simulation of the impact of grants and apportionment policy changes), and prepares policy papers and submissions for consideration but the minister and Cabinet. Branch representatives meet frequently with the various "client" groups interested in municipal finance (e.g., elected and appointed municipal officials).

The municipal finance branch also provides liaison with the Ministry of Revenue and the Ministry of Treasury and Economics on municipal taxation policies and with other ministries and agencies on provincial initiatives which have municipal finance implications.

The branch is divided into three sections: grants and other revenues, taxation, and forecasting and analysis. The main policy areas for each group are the following:

Grants and other revenues

An annual review of the Ministry's unconditional Grants Program is conducted to ensure the efficient and equitable transfer of funds to municipalities. In 1982, the program contributed approximately \$650 million to the municipal sector.

Participation with the Ministry of the Solicitor General in the evaluation of municipal police financing.

The evaluation of other ministries' grant programs and how they affect the finances of municipalities.

Analysis of other revenues including:

- debentures;
- lot levies;
- licensing.

Lead role in the committee which is studying the consolidation of all municipal finance legislation from the various acts which presently have finance provisions.

Similar position in the municipal debt management committee which is made up of representatives from the Province, the municipalities and the financial community.

Taxation

In conjunction with the Ministry of Revenue, formulating tax policy options to accommodate a broader scale reassessment initiative under section 63 (formerly 86) of the Assessment Act.

Policy development towards the determination of an appropriate basis for

distributing Metro, regional and county costs among their constituent municipalities.

- Review of payments to municipalities made in lieu of property taxes.
- Evaluation of private legislation and development of general government policy respecting exemptions from property taxation.
- Review and enhancement of procedures for collection of local taxes with respect to:
 - Interest, penalties and discounts;
 - Business taxes; and
 - Payments to school boards and upper tiers.

Forecasting and analysis

- Forecasts of local government expenditures and revenues.
- Financial analysis of municipalities for the Ontario Municipal Board and on request from other ministries (e.g., Northern Affairs).
- Analyses of the economic bases of municipalities and the development of indicators of long term prospects. This permits the identification of those communities which could face rapid growth and those which may be affected by declining levels of economic activity.
- Policy development for the distribution of special, transitional and loss of revenue grants.
- Annual publication of "*Local Government Finance in Ontario*," a statistical review of local government finances.

Provincial-municipal affairs secretariat

The secretariat performs a liaison function between the Province of Ontario and those municipal organizations which collectively represent local government in Ontario.

In 1981 the three principal municipal associations amalgamated to form the new Association of Municipalities of

Ontario. This new single municipal association represents almost all of Ontario's 838 municipalities.

With the creation of the new association, the Provincial Municipal Liaison Committee ceased to exist. A new process of provincial-municipal consultation was developed jointly by AMO and the Minister of Municipal Affairs and Housing and the AMO executive. In addition, the secretariat arranges such other meetings with members of the cabinet as are required to assist the provincial-municipal dialogue.

The secretariat produces *Background*, a weekly newsletter on topics of current interest in local government, publishes annually the *Municipal Directory* and circulates six times yearly a summary of municipal resolutions and responses.

Subsidies branch

The subsidies branch provides municipalities with appropriate financial and management resources to meet their responsibilities through loan, grant and transfer payments.

The branch administers programs to encourage the continued use of farm and forest lands through tax rebates to property owners, and the creation of additional jobs through grants to private sector employers.

Subsidies branch program details 1981-82

Program	Total Amount Paid	Total Clients Served
Disaster Relief Assistance Program	\$ 80,062	2 municipalities
Farm Tax Reduction Program	69,000,000	172,000 properties
Involvement in Municipal Administration Program	647,807	301 students
Managed Forest Tax Reduction Program	1,000,000	8,725 properties
Marinas and Boating Facilities Program	202,737	13 municipalities
Municipal Energy Audit Program	178,800	19 municipalities
Ontario Municipal Training Program	102,163	20 students
Ontario Unconditional Grants Program	585,478,982	838 municipalities
Ontario Youth Employment Program	30,000,000	22,000 employers
		55,000 jobs
Provincial Parks Program	311,916	95 municipalities
Provincial Properties-Payment in Lieu of Taxes	17,320,987	650 municipalities
Shoreline Property Assistance Program	907,100	87 public
		48 business
Special Emergency Assistance Program	512,791	9 municipalities
Tenant-Occupied Provincial Properties Program	3,100,074	605 municipalities

Municipal operations division

The municipal operations division provides a full range of advisory services to improve local government effectiveness and monitors financial management and reporting requirements for municipalities.

Boundary disputes and boundary-related issues can be resolved through the Municipal Boundary Negotiations Unit.

A network of 10 field offices assists the division.

Field services branch

The field services branch operates a network of 10 field services offices in Ontario to advise and assist municipalities, the public, other government ministries and agencies on all aspects of local government.

Field offices are located in Thunder Bay, Sudbury, North Bay, Ottawa, Kingston, Oshawa, Orillia, Cambridge, Kitchener and London with a head office in Toronto.

Staff members of the field offices have the first line responsibility to assist municipalities to comply with recognized practices and maintain financial stability. Problems are usually resolved at the local level. When necessary, the field office staff will provide on-site assistance.

The branch prepared the background material on special assistance by way of grants or loans due to extenuating circumstances. In the fiscal year the minister approved one loan and 23 grants.

Data relating to transitional grants or annexations or amalgamations is prepared by the branch.

The rapport between branch staff and municipal officials is developed by branch seminars for municipal staff and attendance as resource people at municipal association and zone meetings.

The branch reviews the financial reports of all municipalities. Weaknesses are identified and taken up with the municipality and the auditor.

The branch assists upper- and lower-tier municipalities with the gathering of data and calculations used in the annual upper-tier apportionments.

The branch, with the consent of a municipality, will engage outside consultants to assist municipal staff in resolving administrative and financial difficulties.

Municipal boundaries branch

An act to facilitate the negotiation and resolution of municipal boundary and boundary-related issues was proclaimed Feb. 1, 1982. The purpose of the act is to provide a process whereby municipal politicians on all sides of a boundary-related issue can resolve matters by direct inter-municipal negotiation.

The Municipal Boundary Negotiations Act was the result of three years of review and consultation with municipalities and an inter-association working group on annexations and amalgamations. This group represented the former Association of Municipalities of Ontario, the Rural Ontario Municipal Association and the Association of Counties and Regions of Ontario.

The process was successfully tested through a pilot project involving the City of Brantford, the Township of Brantford and the County of Brant in the spring of 1980. The results were further reinforced when the long-standing boundary dispute between the City of Barrie and the Township of Innisfil was resolved in late 1981 using the same

process.

The function of the municipal boundaries branch is to administer the new act, to provide resources to carry out fact-finding inquiries on behalf of the minister and to act as facilitators and mediators to assist municipalities in resolving boundary and related issues.

The process consists of six separate, usually sequential steps:

- orientation of municipal council and staff
- application for initiation of procedures provided for in the act by a municipality
- fact-finding by municipal boundaries branch staff, on behalf of the minister
- negotiations between affected municipalities chaired by a chief negotiator from the municipal boundaries branch
- an agreement or non-agreement
- minister's action.

In certain circumstances one or more of the steps may not apply, such as when fact-finding results in an agreement without the need for formal negotiations.

During 1981/82, the branch responded to 18 invitations from municipalities to outline the boundary-issue resolution process.

Staff of the branch conducted information seminars on the process at Public Service Liaison Committee conferences in Kincardine and Chatham and prepared a bulletin entitled *How Boundary Issues are Resolved in Ontario*.

Municipal management policy branch

The municipal management policy branch is the focus for a broad range of provincial initiatives to promote and provide assistance for the effective management of Ontario's municipalities.

The activities of the branch are designed to achieve three primary objectives:

- On behalf of the provincial government, the branch encourages compliance with provincial policies and legislation by municipalities and ensures effective administration of related ministry programs.

- It advises the province, municipalities, municipal organizations, government agencies and the public on trends and issues in municipal management.

- The branch promotes the application of modern technologies and techniques to improve management capabilities of municipalities.

Management advisory publications on a wide range of administrative, financial and organizational matters and on issues of special interest to municipal administrators are prepared by the branch. Some of the topics include: by-law enforcement, records-retention bylaws, local improvement, cablecasting, municipal elections, conflict of interest, joint services and property taxation billing and collection.

To assist municipal staff who are about to enter the world of computers or who want to upgrade their installations, the branch published a comprehensive directory on municipal hardware, software, applications and operations.

The publication *Performance Measurements for Municipalities* introduces the use of performance measures in the municipal sector. Performance measurement is an essential ingredient of a good management system.

The *Municipal Financial Reporting Handbook*, the first of its kind to be published in Canada, sets out the accounting principles and disclosure guidelines that will be used by municipal treasurers in the preparation of their annual audited financial statements.

Specialized advice is provided to municipalities and their associations and educational institutions in relation to special projects concerning municipal organization and management.

In response to a growing interest on the part of individuals and organizations, the branch, with the assistance of the Ontario Municipal Administrators Association, completed a study of the chief administrative officer (CAO) and related administrative systems in Ontario. Based on comprehensive interviews with CAOs, heads of council and municipal staff, the study describes and analyzes the way the CAO system was conceived, how it is being used and how it compares with other jurisdictions.

"Accountability in the local government environment," which is Phase I in a study of the role of the municipal auditor, aims at providing an understanding of the accountability patterns within municipalities and between municipalities and senior levels of government. The next phase of the ministry's study will review the auditor's role in local government.

Municipal analysis and retrieval system (MARS)

MARS is a unique municipal information data bank that permits analysis and evaluation of the local sector for policy development and review of municipal finance trends.

The data bank is also used by 10 branches of the provincial government in the development of the provincial budget, municipal financial policy and the administration of unconditional grants.

The MARS facility is also being employed in the development of a simulation model to analyse the impact of municipal boundary changes and in the application of new technologies to municipal financial reporting, comparative analysis and management information systems.

The MARS information is being made available to other parts of the government, to municipalities, consultants, academics, rating agencies and others interested in Ontario's municipal sector.

Municipal Action '85

Governments today are faced with an increasingly complex challenge of providing the most effective management possible, within new economic realities. It's a challenge that is particularly strong at the municipal level, where billions of dollars are spent every year providing essential services, and where financial constraints are often most intense.

In response to these challenges, the ministry initiated Municipal Action '85. It is a farsighted program of information sharing, opportunity and financial assistance aimed at enhancing the capacities of municipalities in self-administration.

Municipal Action '85 provides direct funding in three general program categories: training and development; budget accounting and control systems and advanced management initiatives such as research on micro-computer and development of a municipal reference directory.

Community development wing

The community development wing of the Ministry helps meet the housing needs of low- and moderate-income families, senior citizens and disabled persons through a variety of programs. It is also responsible for the development of housing policies and federal-provincial relations with respect to government-assisted housing.

The wing has four components: market surveys section, housing renovation and energy conservation unit, community housing division and technical services division which support general aims and objectives of the wing.

The market surveys section works

with municipalities with populations of less than 10,000 to assist in identifying general housing requirements through municipal housing statements. For larger municipalities, the section conducts surveys which identify the specific needs for assisted housing.

The community housing division assesses those needs and decides which program would be most appropriate for the particular community. Councils are presented with program options and community housing staff explain issues such as the proposed location of a development, cost, management and on-going administration. The division is

involved in various programs including financial help for resident homeowners who wish to repair their homes.

Backing up the community housing division is the technical services division. In addition to offering engineering, architectural and appraisal services, the division has a research and development section.

The housing renovation and energy conservation unit joined the wing in December, 1981. The unit is responsible for developing and implementing initiatives with the private and public sectors in housing renovation and energy conservation.

Community housing division

Through the municipal non-profit program, the province committed a total of 2,052 units, of which 1,658 were for families and 394 for senior citizens in municipalities.

In addition, \$9.2 million was distributed to 11 municipal non-profit corporations under the federal community housing contribution program (CSCP), \$505,854 in incentive loans and grants were distributed to 30 municipalities and non-profit housing corporations under the province's municipal non-profit housing program.

During the year, agreements were signed for 584 units in 36 municipalities under the rent supplement program. Of these, 475 units were obtained from projects which received Ontario rental construction loan program assistance. An additional 70 units were approved under the private assisted rental program.

Another 53 senior citizen and five family units were committed under the provincial assisted rental program along with 367 municipally-sponsored senior citizen housing units in Metro Toronto. During 1981-82 an additional 314 units were committed under the ministerial community housing assistance program. Under this program, the province provides financial assistance to tenants in 16 non-profit and co-operative projects in 13 municipalities. A sum of \$254 was allotted to these projects.

The ministry's mortgage committee has certified a total of 24 loans for 100 units:

Program	Units		Amount (\$)
	Families	Seniors	
Private assisted			
Rental		70	1,598,850
Provincial assisted	5	73	2,856,134
Municipal non-profit	1,169	275	70,991,394
	1,174	418	75,446,378

A total of 217 family units in 62 municipalities and 78 senior citizens units in four municipalities were also approved in municipalities of less than 2,500 population under the federal-provincial rural housing program.

Approximately \$6.2 million was made available to builders under the Ontario rental construction loan program. In total, 12,571 rental units in 17 municipalities were provided with grants to help bridge the gap between costs and economic rents. Another \$5.9 million went to non-profit groups through monthly rent reduction grants covering approximately 14,000 units in 34 municipalities. Of this, approximately \$2.5 million went to municipally-sponsored units.

During the year, 358 Ontario municipalities received per-capita grants totalling over \$19.5 million under the Ontario home renewal program. Since OHRP commenced in late 1974, almost 700 municipalities have taken part.

In unorganized communities, OHRP is administered through Ministry of Northern Affairs offices. Homeowners in these areas received 72 loans totalling \$390,600 during the year. Since the pro-

gram's inception, more than \$5 million in loans have been approved for 1,100 applicants from unorganized communities.

Market surveys section

During the year, the market surveys section assisted 55 municipalities, 25 with municipal housing statements and 30 with assisted housing surveys. An additional 87 municipalities were being surveyed at the year's end.

An annual housing review questionnaire, used to update the assisted housing portion of housing statements, was distributed to all municipalities. A total of 422 responded, representing more than 57 per cent of the province's population, indicating a total need for 2,878 senior citizen and 6,622 family housing units.

Staff continued to serve on two inter-ministerial committees.

The task force on aging completed its report *The Elderly in Ontario: An Agenda for the 80s*, identifying 15 areas of action, 11 requiring Ministry of Municipal Affairs and Housing participation.

The major review comprising this

ministry and the Ministries of Community and Social Services, Health, Revenue, and Treasury and Economics, is of shelter trends for the elderly and future alternative policy options, including the roles of public and private sectors. An interim report is to be prepared by the fall of 1982.

The task force on native peoples in an urban setting includes representatives from this ministry, the Ministries of Community and Social Services, Citizenship and Culture, and Health. Native representation is from Ontario Native Women's Association, Ontario Federation of Indian Friendship Centres and Ontario Metis and Non-Status Indian Association. The research report *Urban Native Realities* is to be published in 1982.

Housing renovation and energy conservation unit

The housing renovation and energy conservation (HREC) unit has established in 1980 as part of the ministry's efforts to establish regular liaison between the public and private sectors. The major objective of the unit is to facilitate effective housing renovation and energy-conserving measures.

The HREC unit has established ongoing liaison activities with interest groups representing municipalities, professional groups and the building industry. The primary objective has been to identify major impediments to effective housing renovation or energy-conserving activity.

In order to increase public awareness and to encourage greater participation in energy conservation and housing renovation, the unit has established an annual awards program to recognize accomplishments in housing renovation. It also published newsletters, pamphlets, booklets and posters and demonstrated, through a pilot project, the benefits of caulking and weatherstripping as an essential first step toward energy-conservation.

The unit is assisting in establishing and promoting training sessions for various groups engaged in housing renovation.

In conjunction with other provincial ministries and industry representatives, the unit has been involved in drawing

up residential rehabilitation guidelines as a supplement to the Ontario Building Code. The aim is to create flexibility to allow effective renovation and energy-conserving measures in older residential buildings while retaining the health and safety provisions of the code.

The unit assisted the Canada General Standards Board in implementing a certification program to improve the technical and professional competence of insulation contractors and ensure quality workmanship for consumers.

1981 Forum: *Building Toward 2001*

The HREC unit organized this international conference on housing renovation and energy conservation attended by approximately 1,200 representatives of industry, government, and professional groups.

Chief architect's branch

The branch function is to develop, establish, and administer all site development, planning, architectural and landscape architectural design standards and to co-ordinate engineering and construction standards for all ministry community development housing programs.

During the year, the branch produced modified tender-call documents for 12 Ontario Housing Corporation projects (270 units) for a total value of \$8 million; for four municipal non-profit projects (82 units) for a total value of \$3 million.

It provided technical reviews of 39 municipal non-profit projects (2,504 units) of a total value of \$94 million and carried out architectural and landscape architectural inspections for 12 OHC projects (388 units) of a total value of \$11 million.

Architectural and landscape architectural inspections were conducted on 32 municipal non-profit projects (2,844 units) of a total value of \$101 million.

The branch issued updated standards documents for OHC projects and updated guideline documents for the municipal non-profit housing program. It also developed new guideline documents for municipal non-profit housing on senior citizen furnishing, neighborhood and project "relandscaping," and special projects with care facilities.

At year's end, three additional projects were being designed and 1 additional non-profit projects were being reviewed.

Technical services division

The technical services division offers engineering, architectural and appraisal services for the ministry's housing programs. In addition, the research and development section carries out projects under the ministry's energy management program.

Chief appraiser's branch:

The appraisal branch carries out the valuation of buildings and land projects submitted for any purpose under all programs by or to the ministry or its associated Crown corporations, and certifies lending values for National Housing Act insurance of private-lender mortgages.

The chief appraiser's branch processed:

- forty proposals under the municipal non-profit housing program (NHA, section 56.1) with an approximate value of \$122,095,800.

- two provincially-assisted projects (NHA, Sect. 44.1 (a)) with an approximate value of \$1,566,250.

- six applications for senior citizen housing (NHA, section 40, rural housing) with an approximate value of \$4,145,650.

- a total of 130 applications for rent supplement program purposes were reviewed. In addition, 214 foreclosure appraisals and various other services, were provided to Ontario Mortgage Corporation (OMC).

The branch was also involved in other functions such as rental surveys to determine market rents under the Ontario rental construction loan (OCL) program administered by OMC.

Appraisals were carried out for OHC for Ontario Land Corporation and aerial surveys were conducted at 59 locations throughout the province.

Chief engineer's branch

The chief engineer's branch provided engineering reviews of 29 submissions of design drawings for 14 OHC projects, with a total value of \$9 million and for 113 submissions for 40 municipal non-profit projects, totalling \$94 million in value.

Construction administration and inspection services were provided for 12 OHC projects, with a total value of \$11 million.

Construction inspections of 32 municipal non-profit projects, totalling \$101 million, were carried out.

Site investigations were made at eight locations and soil investigations were carried out on two proposed sites.

Research and development section

The research and development section under the ministry's energy management program undertook 30 projects, primarily in the space-conditioning and solar fields.

Seventeen projects were completed and 13 were underway at year's end. Thirteen new projects are planned for the 1982/83 fiscal year. In addition, four non-energy related projects were undertaken.



Office of the
Chairman

Ontario
Housing
Corporation

101 Bloor Street West
Toronto Ontario
M5S 1P8

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

It is my honour, on behalf of the Board
of Directors, to present the Annual Report
and Statement of Accounts of the Ontario
Housing Corporation for the year ended 1981.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "Allan R. Moses". The signature is stylized with a large loop and a long horizontal stroke extending to the right.

Allan R. Moses
Chairman of the Board

Ontario Housing Corporation

Board of directors

A. Moses, chairman
J. Marrese*, vice-chairman
(June 30, 1981)
R. McDonald, vice-chairman
(from July 1, 1981)
J. Bird
D. Crompton
J. Kelleher
J. Lambe
J. O'Brien
A. O'Brien
J. Puddicombe
J. Radinsky*
J. Yaworsky

no longer serving

Report of the chairman of the board

The fiscal year saw the completion of Ontario Housing Corporation's decentralized property management approach with the inauguration of the Peel Regional Housing Authority.

Across the province the day-to-day management of public housing is now the responsibility of appointed local citizens sensitive to local condition.

Decentralization, begun in 1974, is based on the concept that, while the primary responsibility for assisted housing should remain with the province, the day-to-day management decisions should be made by members of the housing authorities, private citizens serving voluntarily with intimate knowledge of their communities.

With this in mind, the members of the corporation's board of directors expanded their dialogue with housing authority members by arranging a series of seminars to discuss issues of mutual concern.

These regional seminars have strengthened communications, not only between the corporation and the housing authorities, but between housing authorities themselves. They have become a very important part of OHC's relationship with the housing authorities.

The very size of OHC's portfolio underscores the need for such a dialogue. At the end of the year under review the corporation had 84,257 housing units made up of 48,042 for families and 36,215 for senior citizens. The corporation also had 10,447 units under rent supplement program agreements, for a total portfolio of more than 94,700 units.

OHC is also involved in subsidizing rent-geared-to-income units developed under other programs. In 1981 the corporation was providing financial assistance for a total of more than 112,000 units, including those in its own portfolio.

A highlight of the year was the decision to extend the corporation's mandate to include mentally-retarded persons who are capable of living independently.

Rent-geared-to-income housing is now provided for low-income families and senior citizens, the physically disabled and the developmentally handicapped.

The decision has opened the doors to affordable accommodation for many mentally-retarded persons with skills to maintain their own homes and who can now derive the maximum benefits from living in a community setting.

Still on the subject of people — that's what we are all about — the corporation revised its point-rating system, used to determine priorities on waiting lists, to reflect financial hardship.

Under the revised family point-rating system, 44 per cent of the points available now relate to an applicant's income and shelter costs, compared to only 30 per cent under the former system in Metro Toronto and 16 per cent elsewhere in the province.

The senior citizen point-rating system continues to place the greatest emphasis on financial items such as income and shelter costs. The percentage of points awarded for such items was increased from 47 to 60 per cent.

In the area of energy conservation, work began on the installation of a solar domestic hot water heating system on top of a 10-storey apartment building in Metropolitan Toronto, the first such system to be added to an existing OHC development.

A joint venture under the housing energy management program of the Ministry of Municipal Affairs and Housing and the Ministry of Energy, the \$109,000 system is expected to result in a 20 to 30 per cent saving in water heating costs.

Within the corporation, an organizational change of note was the appointment of Robert McDonald, assistant deputy minister in charge of community development, as a member of the board of directors and vice-chairman of OHC. Subsequently he was elected by the board as chief executive officer of the corporation. The appointment was a move to forge a stronger link between OHC and housing programs within the ministry's community development wing.

Mr. McDonald tackled his new duties with drive and determination. He made

a contribution to the corporation before his move at the end of the year to the position of deputy minister of the Ministry of Community and Social Services. We all wish him well in his challenging new endeavor.

In conclusion I would like to pay tribute to the dedication of the staff of the corporation for their worthwhile efforts in the provision of housing for those less fortunate in our society.

Of course, a word of thanks is due as well to my fellow board members for their support, and to the members of the housing authorities for their endeavors in making Ontario's assisted housing program among the best in Canada.

Being involved in public housing administration is both challenging, particularly at this time of government constraints, and rewarding when one considers that OHC is providing affordable housing to some 200,000 people across the province.

In my mind, there are 200,000 reasons why all those associated with public housing, whether in the corporation, the ministry or on the membership or staff of the housing authorities, should take pride in their achievements.

Allan R. Moses
Chairman

Ontario Housing Corporation

Ontario Housing Corporation provides rent-geared-to-income housing for families and senior citizens with low and moderate incomes as well as physically-handicapped and mentally-retarded individuals. It is responsible for managing the rental properties through agreements with local housing authorities. OHC also acquires the use of accommodation in properties not owned by the corporation, through the rent supplement program.

During the year construction began 315 units. (Statistics used elsewhere in this report may vary due to differences in fiscal years.)

A total of seven tender calls were issued for a total of 132 senior citizen and 14 family housing units.

The corporation secured rent supplement units during the year to bring the total at the year end to 10,447. These units provide accommodation for rent-geared-to-income tenants in buildings owned by private landlords and help to integrate low-income tenants into the community.

In 1981 there were 15 projects taken under administration, for a total of 583 units.

At year's end, the corporation had the following units in its portfolio:

Family	48,042
Senior citizen	36,215
Total	84,257

In addition, OHC was administering rent supplement program agreements covering 10,447 units.

Tenant placement waiting list as of Dec. 31, 1981.

Family	13,972
Senior citizen	8,206
Total waiting list	
Family and senior citizen	22,178

Housing operations branch

The branch is responsible for ensuring that the province's portfolio of assisted rental housing is operated efficiently and maintained properly.

OHC has management agreements with 61 housing authorities for the provision of a full range of property management services.

Six branch offices provide resources and technical assistance to the housing authorities and conduct regular management reviews to ensure compliance with OHC policy and procedures.

The branch monitors the expenditure of all funds provided for the operation of the various properties and determines priorities of expenditure across a wide range of operational requirements. In 1981, the expenditures totalled \$362,670,390, with revenues of \$127,171,280.

The numbers and types of units and programs managed are shown elsewhere in this report.

Maintenance engineering branch

The preparation of plans and specifications, the calling of tenders and the administration of large-scale upgrading and remedial works in all areas of building technology continued to be the major activity of the branch.

More than 500 individual services were provided to the 61 housing authorities throughout the province, the majority for the Metro Toronto Housing Authority.

Four-year phased programs set up by the branch for province-wide implementation by housing managers of energy

conservation and sprinkler upgrading were approximately 75 per cent completed by the end of the year.

A three-year phased program for the testing and upgrading of fire alarm and emergency systems (dynamic testing) in 874 apartment buildings got underway in the portfolios of 60 housing authorities. The program was scheduled to commence in 1982.

The ongoing correspondence course in safety conducted by the safety programs co-ordinator was taken by 125 staff members and completed successfully by most.

Many inquiries were received by the branch from both private and public institutions from across Canada and the U.S. on programs established by the branch. Interest was shown in the smoke detector programs and computerized monitoring of the annual maintenance. Information was requested on the computerized energy conservation reporting system, as well as the competitive tendering system for elevator maintenance based on OHC specifications and contracts signed on OHC agreements.

Operational planning branch

During the year the program to expand and restructure the housing authority system in Ontario was completed with 61 housing authorities managing the corporation's portfolio.

A significant achievement was the implementation of a program to offer subsidized housing to mentally retarded persons and the introduction of procedural guidelines to assist the local housing authorities in placing applicants in this client group.

A new point rating system giving

greater weight to affordability factors was introduced together with necessary forms and procedural guidelines.

A new leasing procedure was inaugurated. The leases of all tenants will automatically convert to continuing monthly leases upon expiration of the first year of the tenancy, thus eliminating the need for annual renewal of the lease and formal execution of a new document.

A new senior citizen rent scale, developed in co-operation with Canada Mortgage and Housing Corporation, was introduced. The principal effects of this new scale were to increase over a period of two years the proportion of gross income paid in rent from 20 per cent to 25 per cent in keeping with the national scale and to separate the charges for domestic hydro from the basic rent calculation.

In policy development and program analysis a number of important studies and evaluations were initiated. The majority of these were concerned with eligibility for subsidized housing, verification of tenants' incomes, determination of gross family incomes and rent calculations, charges and allowances to be made for utilities and services and the transfer of tenants between units.

Two particularly significant items were a study to assess the degree of tenant satisfaction with environment and the landlords' management in rent supplement units and an evaluation of the senior citizen assets policy.

A major overhaul and reprinting of the corporation field manual of administrative procedures was begun to update, clarify and consolidate information and procedures.

ONTARIO HOUSING CORPORATION
Incorporated without share capital under
the Ontario Housing Corporation Act

Balance Sheet
December 31, 1981

ASSETS	<u>1981</u> (\$000's)	<u>1980</u> (\$000's) (note 13)
Accounts receivable	1,536	5,879
Contribution due from the Treasurer of Ontario (note 3)	62,333	61,787
Other assets	412	455
Mortgages and loans receivable	14,060	10,090
Land leased, at cost	2,308	2,308
Investment in properties		
- Projects under development, at cost (note 4a)	11,945	25,624
- Federal-Provincial housing, at cost, less accumulated amortization of \$3,048; 1980 - \$2,920	14,618	13,158
- Student housing on leased land, at cost, less educational institutions' equity of \$3,326; 1980 - \$2,999 (note 4b)	64,976	65,303
- Provincial housing, at cost, less accumulated amortization of \$37,760; 1980 - \$32,902	<u>1,275,715</u>	<u>1,261,076</u>
	<u>1,447,903</u>	<u>1,445,680</u>

See accompanying notes to financial statements.

On behalf of the Board:

Chairman

General Manager

LIABILITIES	<u>1981</u> (\$000's)	<u>1980</u> (\$000's) (note 13)
Bank indebtedness	3,746	5,290
Accounts payable and accrued liabilities (note 5)	54,153	52,671
Holdbacks and deposits on construction contracts	1,243	2,346
Mortgages and debentures (note 6)		
- Canada Mortgage and Housing Corporation	1,196,150	1,195,588
- Other	17,284	11,122
Capital indebtedness to the Treasurer of Ontario (note 6)	175,327	178,663
	<u>1,447,903</u>	<u>1,445,680</u>

ONTARIO HOUSING CORPORATION

Statement of Operations
Year ended December 31, 1981

	1981 (\$'000's)	1980 (\$'000's) (note 13)
LOSS ON HOUSING OPERATIONS		
Assisted housing operations		
Rental revenue	<u>130,202</u>	<u>114,733</u>
Expenses		
Property operating expenses	190,833	164,996
Grants in lieu of municipal taxes	54,138	48,977
Amortization (principal repayments and interest)	<u>112,343</u>	<u>108,512</u>
	<u>357,314</u>	<u>322,485</u>
Loss on assisted housing operations (note 7)	227,112	207,752
Loss on rent supplement operations (note 8)	<u>35,528</u>	<u>32,756</u>
	<u>262,640</u>	<u>240,508</u>
Less: Canada Mortgage and Housing Corporation and municipalities shares (note 2)	<u>134,717</u>	<u>127,546</u>
	<u>127,923</u>	<u>112,962</u>
Provincial contributions to municipal housing projects (note 9)	<u>9,992</u>	<u>8,192</u>
Loss on housing operations	<u>137,915</u>	<u>121,154</u>
OTHER REVENUE AND EXPENSES		
Other revenue		
Interest	9,260	7,730
Administration and management fees	<u>8</u>	<u>8</u>
	<u>9,268</u>	<u>7,738</u>
Other expenses		
Interest (note 10)	7,003	12,330
Loss from disposal of real property	286	360
Administration (Schedule)	<u>1,779</u>	<u>2,884</u>
	<u>9,068</u>	<u>15,574</u>
Net other (revenue) expenses	<u>(200)</u>	<u>7,836</u>
NET OPERATING LOSS FOR THE YEAR	<u>137,715</u>	<u>128,990</u>
CONTRIBUTION BY THE TREASURER OF ONTARIO (note 3)	<u>137,715</u>	<u>128,990</u>

See accompanying notes to financial statements.

SCHEDULE

ONTARIO HOUSING CORPORATION

Administration Expenses
Year ended December 31, 1981

	<u>1981</u> (\$000's)	<u>1980</u> (\$000's) (note 13)
Salaries and benefits	387	370
General and office expenses	142	79
Transportation and communication	5	5
Supplies and equipment	2	4
Grants and other expenses	167	19
Administrative support services (note 11)	<u>8,801</u>	<u>9,299</u>
	9,504	9,776
Less: Recovery of administration expenses	<u>7,725</u>	<u>6,892</u>
	<u>1,779</u>	<u>2,884</u>

See accompanying notes to financial statements.

ONTARIO HOUSING CORPORATION

Notes to Financial Statements
December 31, 1981

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles with the following exceptions:

- (i) investments in Provincial and Federal-Provincial properties (land and buildings) are amortized over the terms of the corresponding indebtedness; and
- (ii) building costs of student housing are amortized over the terms of the land leases.

(b) Capitalization of Costs

Carrying charges for properties under development are capitalized and include interest, administration expenses and grants in lieu of municipal taxes.

(c) Self-Insurance

The Corporation follows the policy of self-insuring its Investment in Properties for property damage such as fire, water and vandalism. Costs of such repairs are charged to property operating expenses.

2. SIGNIFICANT CHANGE IN OPERATIONS

On March 11, 1980, the Government of Ontario announced its intention to assume the 7-1/2% municipal share of losses on all assisted housing programs. The new cost-sharing arrangement affects the Corporation's losses on provincial, federal-provincial and rent supplement programs, effective April 1, 1980.

3. CONTRIBUTION DUE FROM THE TREASURER OF ONTARIO

The receivable of \$62.333 million (1980 - \$61.787 million) represents the amount due from the Treasurer of Ontario for the current year's net operating loss less advances received to date.

4. INVESTMENT IN PROPERTIES

(a) Projects under development

Carrying charges for land under development were capitalized in the amount of \$1.111 million (1980 - \$2.886 million).

(b) Student housing on leased land

This investment represents capital costs incurred by the Corporation to provide student accommodation on land leased from 11 universities and colleges. The educational institutions make semi-annual repayments of the capital advances. When the loan is fully repaid, the title to the properties will be transferred to the respective institutions.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	1981 (\$000's)	1980 (\$000's)
Canada Mortgage and Housing Corporation	20,110	20,589
Other	<u>34,043</u>	<u>32,082</u>
	<u>54,153</u>	<u>52,671</u>

6. MORTGAGES, DEBENTURES AND CAPITAL INDEBTEDNESS

The Corporation borrows funds from Canada Mortgage and Housing Corporation (CMHC), the private sector and the Treasurer of Ontario to finance investments in real property. Such borrowings are repaid in accordance with agreement terms, over periods normally not in excess of 50 years.

Interest is payable to CMHC and the private sector at various rates based on individual agreements ranging from 4.25% to 14.50% - effective rate of 8.09% (1980 from 4.25% to 11.00% - effective rate of 8.03%). Interest is also payable to the Treasurer of Ontario at the weighted average rate of 8.29% (1980 - 8.41%).

6. MORTGAGES, DEBENTURES AND CAPITAL INDEBTEDNESS (Cont'd)

Estimated scheduled principal repayments over the next five years due for all long term debts are as follows:

	(\$000's)
1982	6,231
1983	6,659
1984	7,117
1985	7,609
1986	8,037

7. LOSS ON ASSISTED HOUSING OPERATIONS

Under its assisted housing program, the Corporation essentially provides rental accommodation to families and senior citizens. The loss on this program is shared with Canada Mortgage and Housing Corporation. The municipal partnership participation ceased in accordance with the cost-sharing change referred to in note (2).

8. LOSS ON RENT SUPPLEMENT OPERATIONS

Under its rent supplement programs, the Corporation provides rent-geared-to-income accommodation within the private sector to applicants from its waiting list. The costs of these programs are shared with Canada Mortgage and Housing Corporation. The municipal partnership participation ceased in accordance with the cost-sharing change referred to in note (2).

9. PROVINCIAL CONTRIBUTIONS TO MUNICIPAL HOUSING PROJECTS

The Corporation contributed \$9.992 million (1980 - \$8.192 million) to The Metropolitan Toronto Housing Company Limited towards operating costs for senior citizen apartment units.

10. INTEREST EXPENSES

In the early part of 1980, a settlement was reached with respect to the outstanding condominium buy-back financial guarantees. Under the agreement with the construction companies, interest in the amount of \$6.310 million was paid and expensed during 1980 and the Corporation was released from any further liability.

11. ADMINISTRATIVE SUPPORT SERVICES

The Ministry of Municipal Affairs and Housing provides central administrative support services to the Corporation. The charge for such support services was determined on a basis acceptable to both the Corporation and the Ministry.

12. COMMITMENTS

The Corporation is committed to spend an estimated additional \$3.365 million to complete properties under development in accordance with development agreements entered into with various contractors.

13. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform with 1981 presentation.

Administration expenses of \$1.125 million pertaining to 1980 were reclassified as shareable property operating expenses. This resulted in the Corporation recovering \$0.585 million from Canada Mortgage and Housing Corporation. These adjustments have been reflected by a restatement of certain comparative figures in the Statement of Operations, the Schedule of Administration Expenses and the figure for "Contribution due from the Treasurer of Ontario" on the Balance Sheet.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381

To the Members, Ontario Housing Corporation, and
to the Minister of Municipal Affairs and Housing.

I have examined the balance sheet of Ontario Housing Corporation as at December 31, 1981 and the statement of operations for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1981 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements, applied on a basis consistent with that of the preceding year.

In accordance with section 12 of the Ontario Housing Corporation Act, a report on the audit will be made to the Corporation and to the Minister of Municipal Affairs and Housing.

Toronto, Ontario,
May 21, 1982.

J.F. Otterman

J.F. Otterman, C.A.,
Assistant Provincial Auditor.



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ty Minister
au du
ministre

Ministry of
Municipal Affairs
and Housing

Ministère des
Affaires municipales
et du Logement

Queen's Park
Toronto, Ontario
M7A 2K5
416/965-3411

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

I have the pleasure on behalf of the Board of
Directors of submitting for your approval, the
Annual Report of the Ontario Land Corporation
for the fiscal year ending March 31, 1982.

Respectfully submitted,

Ward Cornell
Chairman of the Board

Ontario Land Corporation

Board of directors

Richard M. Dillon, Chairman
John W. Riggs, Vice Chairman &
Chief Executive Officer
John P. Davies
Robert W. Hignett
John H. Joyce
Jery Trusler
John Wonski, Retired 12 November, 1981
John M. McDonald, Resigned
February, 1982

Year in review

The slowdown in the national and provincial economies of the previous year continued in fiscal 1981/'82 and interest rates remained high. This economic climate heightened competition for land and reduced demand for serviced land.
Housing starts in 1981 in Ontario rose to 55,000 units from 40,000 the previous year, due, in part, to the cancellation at the end of the year of the federal multi-unit residential building program and the province's Ontario rental construction loan program and the acceleration of starts before the cancellation of the program.
In response to this environment, the corporation adopted flexible approaches to meet its objective of recovering the provincial land investment. This included a slowdown in development servicing and intensive efforts to liquidate existing inventory and to pre-sell future production.
To provide an organized plan for repayment of outstanding obligations to the federal government, the corporation negotiated its loan-financing arrangements with Canada Mortgage and Housing Corporation. There were 74 outstanding debenture and loan arrangements consolidated into two agreements and a debt retirement fund established to repay outstanding commitments of \$112 million over a 20-year term.
New sales agreements reached \$457,000 in 81/82, compared with \$667,000 the previous year.
Sales agreements totalling \$32,789,000 were reached during 81/82 compared with \$841,000 in the previous year.

New sales included lots for 1862 residential units and 193 hectares of industrial, commercial and institutional lands in Peterborough, Hamilton, Guelph, Brockville, Kitchener, Malvern and Townsend.

Malvern: Lots for 907 residential units were sold along with the final 11 hectares of industrial land in Neighborhood 10. This community with a population of approximately 30,000 is located in north-east Scarborough.

Development of a library and recreation complex in the central area was started by the borough. As well, draft plan approval was received for 1,760 units in Neighborhood 2.

Townsend: 71 residential lots were sold to builders in Townsend, a new town development located in the Region of Haldimand-Norfolk.

Construction of the first phase of the Village Centre was completed, and leases were under negotiation for a pharmacy, a convenience food store, a bank and professional and institutional offices.

OLC entered into a lease/purchase agreement with the regional municipality for construction of a \$2.7 million administration building at Townsend. Construction began in spring, 1982, with completion scheduled for the next year.

Seaton: The corporation negotiated an official plan amendment with Durham regional council establishing an urban area of 2,800 hectares on the east side of the West Duffin Creek.

Heritage Green: A revised development plan for the community (formerly Saltfleet) was presented to the Town of Stoney Creek for its consideration. Construction of a major community recreational complex was started by the town, to include a library, community meeting rooms and auditorium.

Construction of 197 housing units and a 100-unit senior-citizen complex is underway.

Nepean: The Borden Farm project received final draft approval for a 550-unit development, two school sites, a church and a neighborhood commercial site.

Peterborough: Sale of an 8.7-hectare shopping centre site was completed with DSL Ltd. and a further 14.16 hectares

of land were sold to the city for a future industrial site.

The corporation's land inventory is 27,676 hectares. Of the 25,246 hectares available under the corporation's farm-lease program, 96 per cent were leased through 1,118 individual agreements. Revenues were \$3.04 million.

In the North Pickering assembly the number of outstanding final settlements from expropriation was reduced to 50 from 74 a year earlier.

A review and appraisal of the corporation's general treasury and accounting functions initiated the previous year was completed. A revised accounting organization was developed and transferred from the central support services of the ministry to the land development wing.

ONTARIO LAND CORPORATION

Incorporated without share capital under
the Ontario Land Corporation Act

Balance Sheet
March 31, 1982

ASSETS	1982 (\$'000's)	1981 (\$'000's)
Cash (note 7a)	51,916	34,310
Accounts receivable		
Canada Mortgage and Housing Corporation	1,813	9,191
Mortgage guarantee fund (Schedule)	-	110
Other	742	580
Note receivable		
Ontario Development Corporation	666	666
Mortgages, loans and agreements for sale (notes 4 and 7a)	79,811	76,300
Leased residential land (note 5)	35,883	36,192
Investment in land (note 6)	494,665	492,981
	<u>665,496</u>	<u>650,330</u>
Mortgage guarantee fund (Schedule) (note 9)	<u>1,780</u>	<u>1,612</u>

See notes to financial statements.

On behalf of the Board:


Director


Director

LIABILITIES	1982 (\$'000's)	1981 (\$'000's)
Accounts payable and accrued liabilities		
Ministry of Municipal Affairs and Housing	-	3,546
Canada Mortgage and Housing Corporation	2,464	1,038
Other	828	1,421
Holdbacks and deposits on construction contracts	3,884	2,722
Mortgages, debentures and similar indebtedness		
Canada Mortgage and Housing Corporation (note 7a)	111,959	105,225
Ontario Mortgage Corporation (note 7b)	1,985	1,869
Other	617	896
Capital indebtedness to the Treasurer of Ontario (note 8)		
Interest bearing	117,025	116,965
Non-interest bearing	402,056	399,881
Retained earnings	<u>24,678</u>	<u>16,767</u>
	<u>665,496</u>	<u>650,330</u>
Mortgage guarantee fund (Schedule) (note 9)	<u>1,780</u>	<u>1,612</u>

ONTARIO LAND CORPORATION

Statement of Retained Earnings
Year ended March 31, 1982

	1982 (\$000's)	1981 (\$000's)
Balance, beginning of year	16,767	4,628
Earnings for the year	<u>7,911</u>	<u>12,139</u>
Balance, end of year	<u>24,678</u>	<u>16,767</u>

See notes to financial statements.

ONTARIO LAND CORPORATION

Statement of Earnings
Year ended March 31, 1982

	1982 (\$000's)	1981 (\$000's)
REVENUE (note 10)		
Land marketing operations		
Sales	13,868	23,146
Cost of sales	<u>11,920</u>	<u>19,507</u>
	1,948	3,639
Deferred revenue realized	<u>2,360</u>	<u>3,479</u>
	4,308	7,118
Interest		
Mortgages, loans and agreements for sale	8,232	7,426
Bank deposits	8,171	6,214
Other	1,095	1,361
Rental income from leased residential land	<u>3,080</u>	<u>3,025</u>
	<u>24,886</u>	<u>25,144</u>
EXPENSES (note 11)		
Interest		
Treasurer of Ontario	11,365	10,717
Canada Mortgage and Housing Corporation	9,971	8,691
Other	86	93
	<u>21,422</u>	<u>19,501</u>
Less interest capitalized during year to investment in land (notes 2d and 3)	<u>3,508</u>	<u>6,684</u>
	17,914	12,817
Other	<u>(939)</u>	<u>188</u>
	<u>16,975</u>	<u>13,005</u>
Earnings for the year	<u>7,911</u>	<u>12,139</u>

See notes to financial statements.

SCHEDULE

ONTARIO LAND CORPORATION

Mortgage Guarantee Fund
as at March 31, 1982 (note 9)

ASSETS	<u>1982</u> (\$'000's)	<u>1981</u> (\$'000's)
Cash	57	39
Securities, at cost, including accrued interest (market value - \$446; 1981 - \$503)	807	807
Mortgages receivable arising through assignment	876	828
Mortgages receivable arising from sale of real estate	31	17
Real estate acquired by foreclosure	-	20
Due from Ontario Mortgage Corporation	9	11
Due to Ontario Land Corporation	-	(110)
	<u>1,780</u>	<u>1,612</u>

CONTINUITY OF FUND

Interest income	168	148
Loss on disposal of securities	-	19
Net increase	168	129
Balance, beginning of year	<u>1,612</u>	<u>1,483</u>
Balance, end of year	<u>1,780</u>	<u>1,612</u>

See notes to financial statements.

ONTARIO LAND CORPORATION

Notes to Financial Statements March 31, 1982

1. BASIS OF OPERATIONS

Ontario Land Corporation was incorporated as a Crown Corporation by an Act of the Ontario Legislature on March 19, 1975. The affairs and business of the Corporation are managed or supervised by a Board of Directors consisting of a maximum of twelve members appointed by the Lieutenant Governor in Council.

The objective of the Corporation is to promote community and industrial development of land in Ontario by the acquisition, development and marketing of land to persons in the private and government sectors for residential, industrial and commercial purposes.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Provincial, Federal and Municipal Agreements

Under the normal course of business, the Corporation may enter into partnership arrangements with Canada Mortgage and Housing Corporation and with various municipalities for the acquisition, development and marketing of lands. The accounting and administration of such arrangements is performed by the Corporation. These financial statements have been prepared on the proportionate consolidation basis whereby the Corporation records only its share of assets, liabilities, revenue and expenses in partnership projects.

(b) Leased Residential Land

Leased residential land is recorded at the proportionate share of acquisition costs plus capitalized direct costs to the date such land is leased to home owners.

(c) Investment in Land

Investment in land is recorded at acquisition cost plus capitalized direct costs. Capitalized direct costs consist principally of interest (note 2d), planning and development costs, grants in lieu of taxes, and administrative costs. Revenue from the rental of undeveloped land is applied as a reduction in the investment in land.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Investment in Land (cont'd)

No attempt has been made to determine the net realizable value of land inventory as net realizable value is conditional upon the ultimate use which has yet to be determined.

(d) Capitalization of Interest to Investment in Land

(i) Acquisition and Related Costs

Capitalized direct costs of non-partnership lands, financed by debt from the Treasurer of Ontario, include interest to January 1, 1979, at which time advances (note 8b) relating to these costs became non-interest bearing. Interest on debt relating to Canada Mortgage and Housing Corporation debentures (note 3) has been capitalized to March 31, 1981. Interest on debt relating to Federal/Provincial partnership lands (note 2a) is capitalized annually.

(ii) Planning, Development and Related Costs

Interest on debt from the Treasurer of Ontario (note 8a) and Canada Mortgage and Housing Corporation (note 7a) is capitalized to Federal/Provincial partnership and non-partnership lands annually.

(e) Income Recognition

(i) Marketing Operations

Gains or losses on marketing operations are recognized and taken into income on the date title is conveyed to the purchaser except when the transfer results in the Corporation assuming a non-interest bearing deferred mortgage for the amount of the gain. In such circumstances, the full amount of the gain is deferred and recognized as income only when the status of a non-interest bearing deferred mortgage changes and active repayment begins.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Income Recognition (cont'd)

(i) Marketing Operations (cont'd)

For financial statement purposes, deferred gains, represented by non-interest bearing deferred mortgages, are recorded as a reduction of mortgages receivable to more fairly reflect the appropriate carrying value of such mortgages.

(ii) Leased Residential Land

Rental income from leased residential land is recognized as it becomes due. At the option of the lessee, the lessee may acquire title to the leased land, at which time, the resulting gain or loss on disposal of the land is recognized.

(f) Cost of sales

Land acquisition costs are allocated on an acreage basis to each subdivision under development. As subdivision components are marketed, each component bears its proportionate share of acquisition, direct costs and, where applicable, costs to complete based on an estimated share of net realizable value.

3. CHANGE IN ACCOUNTING POLICY

Pursuant to the debenture agreements entered into with Canada Mortgage and Housing Corporation during the year (note 7a), the Corporation changed its policy on capitalization of interest on such debt relating to land acquisition costs. Effective April 1, 1981, the Corporation no longer capitalizes this interest as a direct cost, instead it is included in the Statement of Earnings as a period cost (note 2d). The effect of this change is a decrease in earnings for the year of approximately \$4.333 million.

4. MORTGAGES, LOANS AND AGREEMENTS FOR SALE

Details of mortgages, loans and agreements for sale managed by the Corporation, including partnership equities (note 2a), are as follows:

Mortgages, Loans and Agreements for Sale	1982				1981
	Total	By Participant			
		Canada Mortgage and Housing Corporation	Various Municipal- ities	Ontario Land Corporation	Ontario Land Corporation
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Active residential mortgages and agreements for sale, interest bearing	98,201	34,987	711	62,503	65,701
Deferred mortgages, non-interest bearing (note 2e(i))	66,239	36,221	59	29,959	32,469
Builders' mortgages, interest bearing	23,034	11,581	-	11,453	7,367
Other, interest bearing	6,114	259	-	5,855	3,232
	193,588	83,048	770	109,770	108,769
Less deferred gains (note 2e(i))	(66,239)	(36,221)	(59)	(29,959)	(32,469)
TOTAL	127,349	46,827	711	79,811	76,300

5. LEASED RESIDENTIAL LAND

Details of leased residential land owned by the Corporation, including partnership equities (note 2a), are as follows:

1982			1981
Total	Canada Mortgage and Housing Corporation	Ontario Land Corporation	Ontario Land Corporation
(\$000's)	(\$000's)	(\$000's)	(\$000's)
46,712	10,829	35,883	36,192

6. INVESTMENT IN LAND

Details of the investment in land managed by the Corporation, including partnership equities (note 2a), are as follows:

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Acquisition cost	300,579	297,115
Capitalized costs		
Interest	162,398	162,946
Development	33,786	35,014
Other	14,334	14,949
	<u>511,097</u>	<u>510,024</u>
Less: Other partners' equity	<u>16,432</u>	<u>17,043</u>
Ontario Land Corporation	<u>494,665</u>	<u>492,981</u>

7. MORTGAGES, DEBENTURES AND
SIMILAR INDEBTEDNESS

(a) Canada Mortgage and Housing
Corporation

As authorized by Order in Council 3703/81, dated December 23, 1981, the Corporation entered into agreements with Canada Mortgage and Housing Corporation to consolidate all outstanding advances and debentures into two debenture agreements under Sections 40 and 42 of the National Housing Act (N.H.A.). These debentures are repayable over a 20 year term in quarterly instalments of principal and interest from April 1, 1982 to December 31, 2001, as follows:

	Interest Rate (%)	Quarterly Blended Instalment (\$000's)	Total Debentures (\$000's)
N.H.A. Section 40	7.1697	922	39,231
N.H.A. Section 42	9.8378	<u>2,071</u>	<u>72,728</u>
		<u>2,993</u>	<u>111,959</u>

Scheduled principal repayments over the next five years for these debentures are as follows:

	(\$000's)
1983	2,185
1984	2,379
1985	2,591
1986	2,823
1987	3,075
Subsequent to 1987	<u>98,906</u>
	<u>111,959</u>

Also, in accordance with Order in Council 3703/81, the Corporation assigned a portion of its cash and mortgages receivable to a debt retirement plan on January 1, 1982. The assigned assets and future interest accumulations on such assets will facilitate the repayment of the debenture debt owing to Canada Mortgage and Housing Corporation.

7. MORTGAGES, DEBENTURES AND
SIMILAR INDEBTEDNESS (cont'd)

(a) Canada Mortgage and Housing
Corporation (cont'd)

Balances of the assigned assets as at March 31, 1982,
are as follows:

	(\$000's)
Cash	33,082
Mortgages receivable	<u>61,101</u>
Total assets assigned	<u>94,183</u>

For financial statement purposes, the above amounts
are not segregated and are reported under the
appropriate statement captions.

(b) Ontario Mortgage Corporation

At March 31, 1982, the Corporation was indebted to
Ontario Mortgage Corporation for mortgages on
properties acquired due to default by the mortgagors.
Interest and principal repayments are at varying
amounts. The outstanding balance at March 31, 1982
is \$1.985 million (1981 \$1.869 million).

8. CAPITAL INDEBTEDNESS TO THE
TREASURER OF ONTARIO

The Corporation obtains funds from the Treasurer of Ontario to
finance its investment in undeveloped or partially developed
lands, and in mortgages, leases and agreements for sale. These
advances are repayable as funds are recovered from the assets
for which these advances were made.

8. CAPITAL INDEBTEDNESS TO THE
TREASURER OF ONTARIO (cont'd)

	<u>1982</u> (\$'000's)	<u>1981</u> (\$'000's)
(a) Interest Bearing		
Advances bear interest at an average of 9.9% (1981 - 9.4%)	<u>117,025</u>	<u>116,965</u>
(b) Non-interest Bearing		
(i) Subject to a maximum of \$399 million	396,972	394,893
(ii) Subject to a maximum of \$4.942 million non-interest bearing to March 31, 1985	4,763	4,607
(iii) Other	<u>321</u>	<u>381</u>
	<u>402,056</u>	<u>399,881</u>

9. MORTGAGE GUARANTEE FUND

The fund was established to secure a portion of the contingent liability of the Corporation for guarantees given for mortgages provided by private sector lenders.

The outstanding balance of approved lenders' mortgages guaranteed by the fund at March 31, 1982 is \$24.327 million (1981 \$26.140 million).

The Province of Ontario is liable for balances in excess of the fund.

A summary of the fund's activities from inception is as follows:

	<u>1982</u> (\$'000's)	<u>1981</u> (\$'000's)
Fee revenue	828	828
Interest income	<u>965</u>	<u>797</u>
	1,793	1,625
Net gain (loss) from operations	<u>(13)</u>	<u>(13)</u>
	<u>1,780</u>	<u>1,612</u>

10. REVENUE

Details of revenue generated by the Corporation, including partnership equities (note 2a), are as follows:

Revenue Generated by the Corporation	1982				1981
	Total	By Participant			
		Canada Mortgage and Housing Corporation	Various Municipal- ities	Ontario Land Corporation	Ontario Land Corporation
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Land marketing operations					
Sales	32,789	18,921	-	13,868	23,146
Cost of sales	(22,593)	(10,673)	-	(11,920)	(19,507)
	10,196	8,248	-	1,948	3,639
Deferred revenue realized	4,765	2,405	-	2,360	3,479
	14,961	10,653	-	4,308	7,118
Interest					
Mortgages, loans and agreements for sale	13,702	5,405	65	8,232	7,426
Bank deposits	8,171	-	-	8,171	6,214
Other	1,095	-	-	1,095	1,361
Rental income from leased residential land	3,884	804	-	3,080	3,025
TOTAL	41,813	16,862	65	24,886	25,144

11. ADMINISTRATIVE EXPENSES

General administrative expenses are absorbed by the Ministry of Municipal Affairs and Housing.

12. CONTINGENCIES

Certain owners of land, whose property was expropriated by the Corporation, have applied to the Land Compensation Board of Ontario for reassessment of the compensation paid on the expropriation of their land. Additional compensation that may be awarded is to be determined by arbitration and negotiation, and is estimated at \$4 million. During the year, the Corporation paid settlements amounting to \$4 million. The amount of these settlements has been added to the cost of the acquired land. Further settlements, if any, made with respect to the outstanding actions, will be accounted for as a charge to the cost of land in the period in which settlement occurs.

13. RELATED PARTY TRANSACTIONS

During the normal course of business, the Corporation enters into numerous transactions with other Federal, Provincial and Municipal authorities in order to accomplish its corporate objectives. These related party transactions have not been disclosed herein because of the nature and frequency.

14. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform with the presentation adopted in 1982.

15. SUBSEQUENT EVENT

Order in Council 1367/82 dated May 20, 1982 authorized that the assets of Ontario Mortgage Corporation, including retained earnings, together with all obligations, liabilities and responsibilities of Ontario Mortgage Corporation be transferred, vested in, and assumed by Ontario Land Corporation retroactive to April 1, 1982.

An agreement will be signed between the two Corporations to assign all the authorized and issued capital stock of Ontario Mortgage Corporation to Ontario Land Corporation and to effect transfer of assets and liabilities, including retained earnings, retroactive to April 1, 1982.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381

To the Board of Directors of the Ontario Land Corporation and
to the Minister of Municipal Affairs and Housing.

I have examined the balance sheet of the Ontario Land Corporation as at March 31, 1982 and the statements of earnings and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1982 and the results of its operations for the year then ended in accordance with the accounting policies described in note 2 applied, except for the change in the method of capitalization of interest as explained in note 3 to the financial statements, on a basis consistent with that of the preceding year.

In accordance with section 29 of the Ontario Land Corporation Act, a report on the audit has been made to the Corporation and to the Minister.

Toronto, Ontario,
August 6, 1982.

D.F. Archer
D.F. Archer, F.C.A.,
Provincial Auditor.



Ministry of
Municipal Affairs
and Housing

Ontario
Mortgage
Corporation

60 Bloor Street West
Toronto, Ontario
M4W 3B8

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

On behalf of the Directors, I am pleased to
present to you the Annual Report and Statement
of Accounts of Ontario Mortgage Corporation
for the year ending March 31, 1982.

Respectfully submitted,

H.W. HIGNETT, M.B.E.
Chairman of the Board and President

Ontario Mortgage Corporation

Board of directors

Herbert W. Hignett, President &
Chairman of Board
A. Jerry Trusler, Deputy Chairman and
Senior Vice President
Maurice J. Closs
Joseph A. Marrese
Mrs. Lee Martini
Charles C. Parsons
Stanley G. Payne
Robert W. Riggs
Paul M. Little, Resigned April 23, 1981

Report of the chairman of the board

The Ontario Mortgage Corporation, originally created to provide primary and secondary mortgage financing, continued to administer the repayments of mortgages and leases committed under various ministerial programs. The real estate department maintained responsibility for the administration of properties acquired through default. The year in review showed a marked increase in sales. All existing rental buildings were sold and the remaining leased, and vacant single-family housing units were offered for sale at market value.

A major activity during the year involved the Ontario Rental Construction Loan (ORCL) program with the objective of assisting in the production of 15,000 rental units, primarily in areas with low rental vacancy rates. The program was introduced to combat the decline in private rental construction activity, with up to 20 per cent of the units being made available on a rent-geared-to-income basis to qualified families and senior citizens. Some units were designed specifically for physically-disabled tenants.

At year's end, 15,731 units and funds amounting to \$99.3 million had been committed. Mortgage advances had been made relating to 6,322 units. The balance of 9,409 units were under construction and scheduled for completion in fiscal years 1982/83 and 1983/84. In order to meet program criteria, footings or other base supports had to be in place before January 1, 1982.

Mortgage assets under administration at year end amounted to \$781.3 million, including \$24.4 million in real estate holdings, \$212.2 million administered on behalf of Ontario Land Corporation, and \$900,000 administered on behalf of private investors.

As a result of an upswing in the real estate market, mortgage acquisitions through foreclosure and quit claims were down. Major sales campaigns during the year increased the disposal of acquired properties at fair market values throughout the province.

Increasing interest rates were a major concern in the market. OMC maintained a policy of renewing its mortgage portfolio at between one and two per cent below the average market rate.

On behalf of members of the board of directors, I wish to extend my appreciation to the officers and staff of OMC for their continued high quality of services, dedication and efforts throughout the year.

H.W. Hignett
Chairman

Ontario Mortgage Corporation

The Ontario Mortgage Corporation is responsible for the administration of mortgages and leases originally committed under various home ownership programs, as well as the administration, leasing and sales of an extensive real estate portfolio.

As at March 31, 1982, mortgage and leasehold assets under administration totalled \$781.3 million, consisting of 38,329 accounts. This total includes the mortgage and lease portfolio administered on behalf of Ontario Land Corporation in the amount of \$212.2 million and a smaller portfolio amounting to \$900,000 that OMC administers on behalf of private investors as a result of mortgage portfolio sales.

At year's end, OMC had reduced its real estate portfolio to 566 units. As a result of successful sales campaigns and an upturn in the real estate market, \$2.2 million in sales were accomplished within this year.

During the fiscal year, 5,751 mortgages, with a total principal balance of \$96.7 million, came up for renewal. As approved by the board of directors, interest renewal rates ranged from 14½ per cent to 18¼ per cent for four to five-year terms over the course of the year.

Ontario Mortgage Corporation continued to administer the Ontario Rental Construction Loan (ORCL) program. Through this program, a total of \$99.3 million in second mortgages will be allocated to assist in the production of 15,731 rental units and provide a stimulus in the rental market.

As at March 31, 1982, funds totalling \$21 million were advanced on 6,322 ORCL units completed or under construction. The balance of funds will be advanced during the 1982/83 and 1983/84 fiscal years as construction proceeds on the remaining commitments.

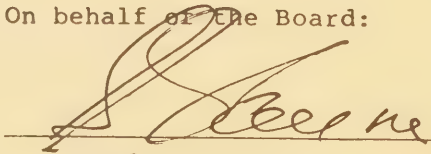
ONTARIO MORTGAGE CORPORATION


Balance Sheet
March 31, 1982

	1982 (\$000's)	1981 (\$000's)
ASSETS		
Cash	4,010	4,269
Funds on deposit with the Treasurer of Ontario	7,390	6,556
Securities (market value \$5,468; 1981 - \$6,234) (note 1a)	8,793	8,793
Accounts receivable	146	319
Mortgages (notes 1b, 2, 4 and 7)	522,881	506,814
Real estate (notes 1c, 3 and 4)	<u>20,783</u>	<u>57,580</u>
	<u>564,003</u>	<u>584,331</u>
LIABILITIES		
Accounts payable and accrued liabilities	2,703	2,531
Mortgages payable (note 5)	-	5,863
Advances from the Treasurer of Ontario (note 6)	<u>548,655</u>	<u>568,155</u>
	551,358	576,549
SHAREHOLDERS' EQUITY		
Capital stock - authorized and issued 10 shares, no par value	-	-
Retained earnings	<u>12,645</u>	<u>7,782</u>
	<u>564,003</u>	<u>584,331</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

ONTARIO MORTGAGE CORPORATION

Statement of Earnings
Year ended March 31, 1982

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
REVENUE		
Interest (note 8)	59,653	59,424
Other	<u>1,189</u>	<u>937</u>
	<u>60,842</u>	<u>60,361</u>
EXPENSES		
Interest	50,787	52,326
Administration (Schedule)	3,106	2,684
Loss on real estate operations (note 9)	<u>2,086</u>	<u>3,599</u>
	<u>55,979</u>	<u>58,609</u>
Net earnings for the year	<u>4,863</u>	<u>1,752</u>

Statement of Retained Earnings
Year ended March 31, 1982

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Balance, beginning of year	7,782	6,030
Net earnings for the year	<u>4,863</u>	<u>1,752</u>
Balance, end of year	<u>12,645</u>	<u>7,782</u>

See accompanying notes to financial statements.

SCHEDULE

ONTARIO MORTGAGE CORPORATION

Administration Expenses
Year ended March 31, 1982

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Salaries	1,849	1,584
Employee benefits	239	219
Transportation and communication	141	111
General and office services	833	741
Supplies and equipment (note 1d)	<u>44</u>	<u>29</u>
	<u>3,106</u>	<u>2,684</u>

See accompanying notes to financial statements.

ONTARIO MORTGAGE CORPORATION

Notes to Financial Statements
March 31, 1982

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Securities

Securities are stated at cost plus accrued interest.

(b) Mortgages

Mortgages are stated at cost, which essentially consists of amounts advanced, interest capitalized and accrued, taxes and other charges, less repayments, less an allowance for future mortgage losses. Capital gains or losses on mortgages are charged against the Mortgage and Real Estate Allowance.

(c) Real Estate

Real estate acquired upon default by mortgagors is carried at cost, less an allowance for real estate losses. Cost includes the mortgage receivable balance, accrued interest thereon, and amounts paid to acquire title to the property. No depreciation is charged on acquired real estate. Operating costs including improvements are expensed as incurred. Capital gains or losses on disposal of real estate are charged against the Mortgage and Real Estate Allowance.

(d) Supplies and Equipment

Furniture and equipment purchases for general office use are expensed in the year of acquisition.

2. MORTGAGES

Mortgages as at March 31, 1982 consist of the following:

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
National Housing Act	75,770	74,421
Uninsured	<u>453,920</u>	<u>438,978</u>
	529,690	513,399
Mortgage and Real Estate Allowance	<u>(6,809)</u>	<u>(6,585)</u>
	<u>522,881</u>	<u>506,814</u>

These mortgages include an outstanding balance of \$1.985 million (1981 \$1.869 million) receivable from Ontario Land Corporation (OLC) for mortgages on properties acquired by OLC due to default by the mortgagors.

3. REAL ESTATE

As at March 31, 1982, the Corporation held 586 acquired properties (119 acquired in 1981-82) due to default by mortgagors. These properties consist of townhouses, condominium apartments, and single family homes.

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Acquisition costs of properties - title held by the Corporation	14,582	47,620
Properties held under Power of Sale	<u>7,311</u> <u>21,893</u>	<u>12,483</u> <u>60,103</u>
Mortgage and Real Estate Allowance	<u>(1,110)</u>	<u>(2,523)</u>
	<u>20,783</u>	<u>57,580</u>

Subsequent to the year end, 5 additional units were acquired and 104 units were sold.

4. MORTGAGE AND REAL ESTATE ALLOWANCE

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Balance, beginning of year	9,108	10,177
Mortgage Insurance fees	89	32
Net capital loss on sale of real estate	(1,293)	(1,101)
Recovery of prior years losses	<u>15</u>	<u>-</u>
	<u>7,919</u>	<u>9,108</u>

The balance in the allowance account has been deducted from the applicable assets as follows:

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Mortgages	6,809	6,585
Real Estate	<u>1,110</u>	<u>2,523</u>
	<u>7,919</u>	<u>9,108</u>

5. MORTGAGES PAYABLE

These mortgages represent first mortgages outstanding on acquired rental apartment complexes. The Corporation had second mortgage investments outstanding on these properties and took over title to these properties together with the first mortgages in order to protect its investment. These properties were sold during the current fiscal year.

6. ADVANCES FROM THE TREASURER OF ONTARIO

The Corporation borrows funds from the Treasurer of Ontario to finance mortgages receivable. Such borrowings are repaid in varying amounts, depending upon repayments by mortgagors, over periods normally not in excess of 50 years. Interest paid to the Treasurer of Ontario in 1982 was at an average rate of 9.017 per cent (1981 9.012 per cent).

7. ONTARIO RENTAL CONSTRUCTION LOAN PROGRAM

The Ontario Rental Construction Loan Program was introduced during 1981 to provide interest free second mortgage financing for the construction of rental housing units in selected communities where vacancy rates are low. As an agent of the Province, the Corporation is charged with the responsibility of distributing program funds and registering second mortgage titles.

These second mortgages are interest free for their full twenty-five year terms. Principal repayments begin in the sixteenth year and are divided into equal monthly instalments over the final ten years.

In its capacity as an agent of the Province, the Corporation administers the second mortgage loans but does not include amounts advanced as part of balance sheet assets and liabilities. All principal recoveries will be deposited into the Consolidated Revenue Fund of the Province.

As at March 31, 1982, \$21 million in such loans were made available by the Province. These amounts are recorded as transfer payments and as memorandum accounts receivable by the Province in its Public Accounts.

8. INTEREST

For the year ended March 31, 1981, the Corporation was reimbursed \$2.01 million by the Province of Ontario for losses arising from lending at negative interest margins. For the year ended March 31, 1982 the Corporation was not reimbursed for such losses. Had such losses been reimbursed, the Corporation's revenue, net profit and retained earnings would have been increased by \$1.82 million.

9. LOSS ON REAL ESTATE OPERATIONS

This essentially consists of maintenance and improvement costs net of rental revenue in respect of the acquired real estate.

10. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate direct remuneration for the eight directors and one senior officer for the year ended March 31, 1982 was \$0.075 million (1981 \$0.063 million).

11. SUBSEQUENT EVENT

Order in Council 1367/82 dated May 20, 1982 authorized that the assets of Ontario Mortgage Corporation, including retained earnings, together with all obligations, liabilities and responsibilities of Ontario Mortgage Corporation be transferred, vested in, and assumed by Ontario Land Corporation retroactive to April 1, 1982.

An agreement will be signed between the two Corporations to assign all the authorized and issued capital stock of Ontario Mortgage Corporation to Ontario Land Corporation and to effect transfer of assets and liabilities, including retained earnings, retroactive to April 1, 1982.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381

To the Shareholders of Ontario Mortgage Corporation.

I have examined the balance sheet of Ontario Mortgage Corporation as at March 31, 1982 and the statements of earnings and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1982 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A report on the audit has been made to Ontario Mortgage Corporation and to the Minister of Municipal Affairs and Housing.

Toronto, Ontario,
July 15, 1982.

D.F. Archer
D.F. Archer, F.C.A.,
Provincial Auditor.

Ministry of
Municipal Affairs
and Housing

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Ministry of
Municipal Affairs
and Housing

Annual Report 1982/1983



including the annual reports of
Ontario Housing Corporation
Ontario Land Corporation

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Ministry of
Municipal Affairs
and Housing

Hearst Block
Queen's Park
Toronto, Ontario
M7A 2K5
416/965-6456

THE HONOURABLE
JOHN B. AIRD, O.C., Q.C., L.L.D.
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the
Legislative Assembly, I have the privilege
of presenting the Annual Reports of the Ministry
of Municipal Affairs and Housing and Ontario Land
Corporation for the fiscal year ending March 31,
1983 and the Annual Report of Ontario Housing
Corporation for the calendar year 1982.

Respectfully submitted

A large, stylized handwritten signature in black ink, reading "Claude F. Bennett".

CLAUDE F. BENNETT
Minister



of the
Minister
du
ministre

Ministry of
Municipal Affairs
and Housing

Ministère des
Affaires municipales
et du Logement

Queen's Park
Toronto, Ontario
M7A 2K5
416/965-3411

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

I have the honour to submit for your approval
the 1982/83 Annual Report of the Ministry of
Municipal Affairs and Housing.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Ward Cornell".

Ward Cornell
Deputy Minister

A handwritten signature in dark ink, appearing to read "Ward Cornell".

COMMUNITY HOUSING

The Community Housing Wing, formerly community development wing, reorganized and renamed in June, 1982.

The mandate of the Community Housing Wing is to help meet the needs of low and moderate income families, senior citizens and disabled persons through a variety of housing programs. It is also responsible for the development of housing policies and inter-provincial relations with respect to government-assisted housing.

Under the new organizational structure, the wing consists of four sections:

• Corporate planning section
• Housing renovation and energy conservation unit
• Housing programs division
• Technical services division.

Corporate planning section.

This section develops and coordinates managing by results contracts, analyses and reviews financial planning activities and prepares corporate and strategic plans for the wing and Ontario Housing Corporation.

Housing renovation and energy conservation unit.

The major objective of the unit is to facilitate effective housing renewal and associated energy-conserving measures. Broadly, the activities of the unit fall into the following categories:
• Establishing liaison between the ministry and major client groups involved in housing renovation and energy conservation.
• Developing resources to aid the rehabilitation activities of municipalities

and the private sector.

- Assembling, disseminating and updating information on trends and activities in the fields of renovation and energy conservation.

A major, joint study was completed for the ministry and the Association of Municipalities of Ontario on the opportunities for making better use of our existing housing stock and urban infrastructure. Emphasis was given to present impediments to housing conversion, infilling redevelopment and conservation and the potential supply and demand for housing which can be supplied by any of these initiatives.

In collaboration with industry and provincial and municipal government representatives the unit has coordinated the development of a residential rehabilitation code which will, after a series of information seminars, become part of the Ontario Building Code (OBC). The purpose is to provide the flexibility to permit effective renovation measures in older residential buildings while retaining the health and safety standards of the OBC.

A comprehensive set of booklets and fact sheets aimed at providing homeowners with reliable and timely information on energy conservation has been completed and continues to be widely distributed. About 1 million copies of the original booklet in the series *First Seal Your House* have been distributed. In the rental housing sector an energy conservation handbook for property managers was prepared in collaboration with the Institute of Housing Management.

In collaboration with the city of Toronto a renovated house was opened to the public to demonstrate the wide range of energy conservation opportunities which renovation provides. Attendance at 'Howland House' is running ahead of a projected 12-13,000 visitors annually.

1982 Forum: The New Neighbourhood.
A 3½-day international conference on

housing renewal and a wide range of related subjects. More than 1,000 delegates attended, representing industry, professional and government agencies.

HOUSING PROGRAMS DIVISION.

A highlight of the year under review was the formation of the housing programs division which has two components: the housing policy and program development branch, the new focus for policy development; and the housing field operations branch responsible for program delivery.

The new housing programs division absorbed staff from the former community housing division, which was engaged exclusively in program delivery activities, as well as from the ministry's policy and program development secretariat.

Housing field operations branch.

Under the municipal non-profit housing program, the province committed a total of 2,299 units: 1,810 for families, 469 for senior citizens and 20 "special purpose" units for handicapped persons. Demand for municipal non-profit projects exceeded the unit allocations by a considerable degree.

A total of \$2.2 million was disbursed to eight municipal non-profit housing corporations under the federal community services contribution program, while \$543,373 in provincial incentive loans and grants were distributed among 39 communities becoming involved in the non-profit housing program for the first time.

Agreements were signed for the use of 857 units in 45 municipalities under the rent supplement program during the year. Of these, 442 units were in projects which received Ontario rental construction loan program assistance. An additional 89 units were approved under the private assisted rental program. Another 14 family units were committed under the provincial assisted rental program. A total of 85 units was taken under the federal

Canada rental supply plan.

During 1982-83 an additional 466 units were committed under the Ontario community housing assistance program (OCHAP). Under this program, the province provided financial assistance to tenants in 25 non-profit and co-operative projects in 13 municipalities. The total OCHAP assistance for 1982-83 amounted to \$863,100.

The ministry's mortgage committee certified a total of 45 loans for 2,834 units. Following is a summary by program:

Program	Units			Amount (\$)
	Families	Seniors	SP*	
Private assisted				
Rental	44	45		2,834,868
Provincial assisted	14			752,855
Municipal non-profit	2095	616	20	163,264,827
	2153	661	20	166,852,550

*Special purpose

249 family units in 78 municipalities and 47 senior citizen units in two municipalities were also approved in municipalities with populations of less than 2,500, under the federal-provincial rural housing program.

Approximately \$4.6 million was made available to builders under the Ontario rental construction grant program. In total 12,571 rental units in 17 municipalities were provided with grants to help bridge the gap between market and economic rents. Another \$5.6 million was provided to non-profit groups through monthly rent reduction grants covering approximately 15,000 units in 173 municipalities. Of this, approximately \$2.4 million went to municipal non-profit projects. Furthermore, \$30,375 went to assist families under the provincial component of the federal-provincial AHOP/HOME program.

During the year, 237 Ontario municipalities received per capita grants totalling over \$9.9 million under the Ontario home renewal program. Since OHRP was started in 1974, 714 municipalities have taken part in the program.

Homeowners in unorganized communities received 47 loans total-

ling \$231,270 during the year. Since the program's inception, more than \$5.2 million in loans have been approved for the 1,202 applicants from unorganized communities.

Housing policy & program development branch. The branch formulates policy options for senior staff and the minister concerning rental and ownership housing, in the public and private sectors.

Appropriate program responses, including operating policies and procedures, are then developed. The

users for these are both internal, e.g. the housing field operations branch, and external, e.g. municipal non-profit housing corporations.

During the year, the branch contributed to the analyses and evaluation of various proposals to stabilize the mortgage rate, such as indexed term deposits and indexed term loans and mortgage renewal insurance. It also participated in the development of the renter-buy program and the work of the task force on aging in Ontario. The branch examined current and future special needs of social housing tenants.

Operating policies and procedures involving the rural housing program, municipal non-profit, Ontario community housing assistance and rent supplement programs were amended during the year.

TECHNICAL SERVICES DIVISION.

The technical services division provides professional appraisal, architectural, landscape architectural and engineering design and construction inspection services for all the ministry's housing programs. In addition, the research and develop-

ment section carries out pro the ministry's energy mana program. The services are a

Chief appraiser's branch. T carries out the valuation of buildings; and certifies lend for NHA insurance of priva mortgages for all the minist housing programs. In 1982- branch has processed:

- 39 proposals under the m non-profit housing progr section 56.1(a), consisting family housing units and senior citizen units, with approximate value of \$14
- 2 provincially assisted pr section 44.1(a), consisting family housing units, and citizen units, with an app value of \$4.5 million.
- 13 projects for senior citi housing under section 40 housing, with an approxi value of \$11 million.
- 136 applications for rent plement program purpos reviewed, 113 foreclosur als and lot values for leas conducted in 14 locations
- The branch also carried o appraisal assignments fo ministry's crown corpora including assessment app OHC; accelerated rental budget reviews for OMC appraisals for OLC, and surveys in 48 locations.

The chief architect's bran establishes and administers development, planning, arc and landscape architectural standards and co-ordinates ering and construction stan all the ministry's housing p In 1982-83 the branch has p

- Modified tender call doc two OHC projects (46 u total value of \$1.65 millio
- Technical reviews of 38 non-profit projects (2,63 a total value of \$140 mill
- Architectural and landsc tectural inspections for 1 projects (312 units) of a t

\$10.5 million.

architectural and landscape architectural inspections on 49 municipal non-profit projects (3,478 units) a total value of \$176.3 million. landscape architectural design services for land development projects for OHC and OLC of a total construction value of 20,000.

landscape inspection services for land development projects for OHC and OLC of a total construction value of \$385,000. issued updated standards documents for OHC projects and updated guideline documents for municipal non-profit program. developed new guideline documents for landscape planning in urban development and a reference manual of codes and regulations affecting landscape design.

Chief engineer's branch. The branch provides structural, mechanical, electrical, municipal services and technical engineering design consultation services; and construction inspection services for all the ministry's housing programs. In 1982-83 the branch has processed: engineering reviews for 3 assisted rental projects of a total value of \$2 million.

engineering reviews for 38 municipal non-profit projects of a total value of \$140 million. construction administration and inspection services for 10 assisted rental projects of a total value of \$7 million.

construction inspection services for 55 municipal non-profit projects of a total value of \$165 million.

site investigations were made at 3 site locations. soils investigations were made at 2 proposed sites.

Research and development section.

This section carries out research projects for the technical services division and for the ministry's energy management program. In 1982-83 the section:

initiated 7 technical services

research projects.

- Initiated 26 energy management research projects.
- Completed 12 such projects.
- Planned 6 new projects for 1983/84.



Office of the
Chairman

Ontario
Housing
Corporation

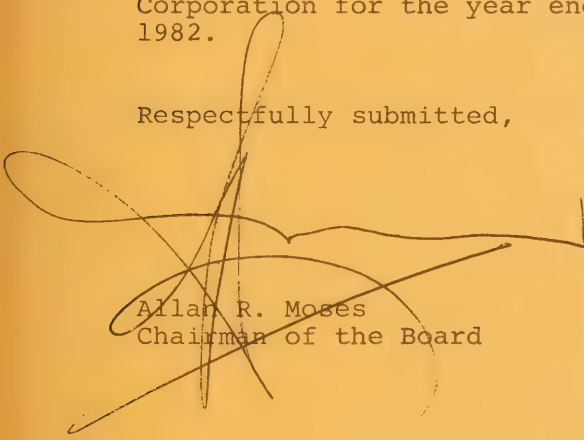
101 Bloor Street West
Toronto, Ontario
M5S 1P8

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

It is my honour, on behalf of the Board of
Directors, to present the Annual Report and
Statement of Accounts of the Ontario Housing
Corporation for the year ending December 31,
1982.

Respectfully submitted,



Allan R. Moses
Chairman of the Board

ONTARIO HOUSING CORPORATION

BOARD OF DIRECTORS.

Moses, chairman
McDonald*, vice-chairman
(February 1, 1982)
Pitura, vice-chairman
(February 1, 1982)
Bird*
Crompton
Jordan
Kelleher
O'Brien
O'Brien
Pudicombe
Stratton
Yaworsky
longer serving

REPORT OF THE CHAIRMAN TO THE BOARD.

During the year, Ontario Housing Corporation pursued several initiatives to strengthen the important dialogue between the board of directors and more than 450 citizens who serve on the 61 housing authorities, which manage assisted housing across the province.

To this end, a new series of workshops were planned throughout Ontario for 1983. In addition to holding several workshops in the Metropolitan Toronto vicinity, the board of directors plan to travel to London, Ottawa and Sudbury to discuss issues of mutual interest with housing authority chairmen and members in those areas.

A new series of periodic meetings were arranged for 1983 between the branch managers and the housing authority chairmen in their areas. Housing authority chairmen attended meetings of the board of directors on a rotational basis during

1982. At year's end, plans were in hand for a new advisory council to be made up of 11 housing authority chairmen to advise the board of directors on a regular basis.

Each of these initiatives was designed to facilitate the free flow of information and ideas, and to encourage the team approach to managing assisted rental housing which I feel is so vital in our large organization.

At the end of 1982, the corporation had 84,302 housing units made up of 48,225 for families and 36,077 for senior citizens. The corporation also had 11,094 units under rent supplement program agreements, for a total portfolio of more than 95,000 units.

OHC is also involved in subsidizing rent-geared-to-income units developed under other housing programs. In 1982, the corporation was providing financial assistance for more than 115,000 units, including those in its own portfolio.

The success of the corporation's first involvement with a supervised group home for mentally-retarded adults was noted during the year under review.

This pilot project in Kingston grew out of the 1981 decision to expand the OHC mandate to include mentally-retarded adults capable of living independently. A five-bedroom unit in the Kingston Housing Authority portfolio was leased as a supervised group home to the Kingston and District Association for the Mentally-Retarded, which supplied the necessary support services.

The project has been a great success, and the many positive comments encouraged the board of directors to approve a similar group home in the North Simcoe and Orillia Housing Authority later in the year.

Also during 1982, the corporation instituted a formal internal review procedure which standardized the method for appealing decisions of local housing authorities across the province.

Under the new policy, both applicants who are refused housing

and tenants who are refused transfers to other assisted housing receive written reasons for the decision and are informed that they may request a review of the decision by the housing authority members at a private hearing.

I feel this policy further guarantees the equal treatment of all tenants and all those who apply for assisted housing.

The corporation made an extensive submission at a public inquiry into fire safety in highrise buildings.

The OHC presentation highlighted the many factors which have contributed to the corporation's enviable record of fire safety. The presentation included statistics on the role of smoke detectors, several chapters of the OHC field manual of administration dealing with fire prevention and, of course, our recommendations for improving fire safety.

Within the corporation, an organizational change of note was the appointment of Leonard Pitura, assistant deputy minister in charge of community development, as a member of the board of directors and vice-chairman of OHC.

Subsequently, he was elected chief executive officer of the corporation by the board of directors.

Mr. Pitura has been a great asset to the organization. His positive approach and wealth of experience enabled him to make a substantial contribution to the organization during the year.

In closing, may I extend my sincere gratitude to my fellow board members for their support and encouragement throughout the year, and to the many dedicated citizens who serve on our local housing authorities, giving their time and energy to provide assisted rental housing to those less fortunate.

As well, I would like to express my admiration and respect for the staff of the corporation for their outstanding efforts in 1982.

Allan R. Moses
Chairman

ONTARIO HOUSING CORPORATION

Ontario Housing Corporation provides rent-geared-to-income housing for families and senior citizens with low incomes and moderate incomes, as well as physically-handicapped and mentally-retarded individuals. Local housing authorities are responsible for managing the rental properties through agreements with the corporation.

OHC acquires the use of accommodation in properties not owned by the corporation, through the rent supplement program.

During the year construction began on 40 units. (Statistics used elsewhere in this report may vary due to differences in fiscal years.)

Three tender calls were issued for a total of 26 senior citizen and 14 family housing units.

The corporation secured rent supplement units during the year to bring the total at year's end to 11,094. These units provide accommodation for rent-geared-to-income tenants in buildings owned by private landlords and help to integrate low-income tenants into the community.

In 1982 there were nine projects taken under administration, for a total 228 units.

At year's end, the corporation had the following units in its portfolio:

Family	48,225
Senior citizen	36,077
Total	84,302

In addition, OHC was administering rent supplement program agreements covering 11,094 units.

Tenant placement waiting list as of December 31, 1982:

Family	17,794
Senior citizen	6,947
Total waiting list, family and senior citizen	24,741

HOUSING OPERATIONS BRANCH.

The branch is responsible for ensuring that the province's portfolio of assisted rental housing is operated efficiently and maintained properly.

During 1982 a revised management agreement was approved and forwarded to the 61 housing authorities for signature. The housing authorities provide a full range of property management services.

Six OHC branch offices provide resources and technical assistance to the housing authorities and conduct regular management reviews to ensure compliance with corporation policy and procedures.

The branch offices monitor the expenditure of all funds provided for the operation of the various properties and determine priorities of expenditures across a range of operational requirements. In 1982, the expenditures totalled \$379,203,964, compared with revenues of \$150,081,577.

The numbers and types of units and programs managed are shown elsewhere in this report.

MAINTENANCE ENGINEERING BRANCH.

The main focus of the staff continued to be on the preparation of plans and specifications for large-scale remedial and upgrading works, particularly in the structural, roofing and building services areas. A list of priorities for the allocation of budget funds was prepared in conjunction with the maintenance managers, and approved by the board of directors.

Province-wide programs carried out in 1982 include the preliminary assessment of the structural elements in 100 garage structures and the completion of the testing of fire alarm and emergency systems in 876 apartment buildings.

The presentation by the corporation to the public inquiry into fire

safety in highrise buildings included information on the activities of the branch such as: the annual repair of the role of smoke detectors on OHC buildings; chapters 13 and 14 of the *Field Manual of Administration* on safety and the planned maintenance program respectively; the testing of the fire alarm and emergency systems and resultant five-year upgrade program and the province-wide sprinkler system upgrading program.

Phase I of the correspondence course, conducted by the safety programs co-ordinator in co-operation with the Industrial Accident Prevention Association, was taken over 300 staff members, and programs were implemented for phase II. This is a more advanced and formalized course of study on safety.

Five million dollars has been spent so far on energy-conservation retrofits. Over the last two years has resulted in a 2 per cent savings in apartment building energy use. Energy savings for 1982 were 1 million.

OPERATIONAL PLANNING BRANCH.

During the year, a number of major policy reviews concerning the method of calculating rents for subsidized tenants was completed. These included revisions to the charges and allowances for family tenants, an increase in the maximum rental contribution for second wage earners, and changes to the method for including non-income producing assets in the rent calculation.

The program to house mentally retarded people in OHC accommodation was evaluated. This evaluation focused on the effectiveness of operational procedures as well as the number of tenants housed during the first year of the program.

A study of tenant satisfaction with the rent supplement program was completed. The purpose of the study was to compare the rent supplement and public housing programs within the broader context of housing factors that have the

st influence on tenant satisfac-

extensive operational reviews of
corporation's summer recreation
am and community relations
am were conducted. These
ional reviews examined the role
nction of these programs in
on to the provision and
gement of public housing.
training program for newly-
ted community relations
ers was conducted. Staff from
is housing authorities in Ontario
ncluded. Professional develop-
workshops were held for the
unity relations workers
ghout the province from
y to June. These featured
ng sessions on children services,
culturalism, stress, elderly and
ed persons, and race relations.
egular programs for the
istration of appointments of
ers to housing authorities, and
or revision of the *Field Manual*,
Administrative Procedures were continued.

ONTARIO HOUSING CORPORATION
Incorporated without share capital under
the Ontario Housing Corporation Act

Balance Sheet
December 31, 1982

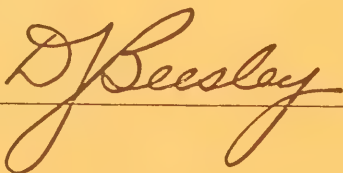
ASSETS	1982 (\$'000's)	1981 (\$'000's)
Accounts receivable	1,119	1,53
Operating funds due from the Province of Ontario (note 2)	61,980	62,33
Other assets	441	41
Mortgages and loans receivable	16,461	14,06
Land leased, at cost	2,308	2,30
Investment in properties		
- Projects under development, at cost (note 3a)	6,497	11,94
- Federal-Provincial housing, at cost, less accumulated amortization of \$3,270; 1981 - \$3,048	16,478	14,61
- Student housing on leased land, at cost, less educational institutions' equity of \$3,676; 1981 - \$3,326 (note 3b)	64,214	64,97
- Provincial housing, at cost, less accumulated amortization of \$43,024; 1981 - \$37,760	1,273,965	1,275,71
	<u>1,443,463</u>	<u>1,447,90</u>

See accompanying notes to financial statements.

On behalf of the Board:



Vice-Chairman



General Manager

LIABILITIES	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Bank indebtedness	2,339	3,746
Accounts payable and accrued liabilities (note 4)	62,866	55,396
Mortgages and debentures (note 5)		
- Canada Mortgage and Housing Corporation	1,191,203	1,196,150
- Other	19,279	16,482
Capital indebtedness to the Treasurer of Ontario (note 5)	167,776	176,129
	<u>1,443,463</u>	<u>1,447,903</u>

ONTARIO HOUSING CORPORATION

Statement of Operations Year ended December 31, 1982

	1982 (\$000's)	1981 (\$000's)
LOSS ON HOUSING OPERATIONS		
Assisted housing operations		
Rental revenue	<u>150,081</u>	<u>130,202</u>
Expenses		
Property operating expenses	205,228	190,833
Grants in lieu of municipal taxes	60,384	54,138
Amortization (principal repayments and interest)	<u>113,592</u>	<u>112,343</u>
	<u>379,204</u>	<u>357,314</u>
Loss on assisted housing operations (note 6)	229,123	227,112
Loss on rent supplement operations (note 7)	<u>38,593</u>	<u>35,528</u>
	<u>267,716</u>	<u>262,640</u>
Less: Canada Mortgage and Housing Corporation share	<u>137,700</u>	<u>134,717</u>
	<u>130,016</u>	<u>127,923</u>
Provincial contributions to municipal housing projects (note 8)	10,944	9,992
Loss on rural and native housing program (note 9)	<u>1,232</u>	<u>1,176</u>
Loss on housing operations	<u>142,192</u>	<u>139,091</u>
OTHER REVENUE AND EXPENSES		
Interest revenue	(8,932)	(9,327)
Interest expense	7,988	5,942
Loss from disposal of real property	39	238
Administration expenses (Schedule)	<u>1,269</u>	<u>1,771</u>
Net other expenses (revenue)	<u>364</u>	<u>(1,376)</u>
NET OPERATING LOSS FOR THE YEAR	<u>142,556</u>	<u>137,715</u>
OPERATING FUNDS PROVIDED BY THE PROVINCE OF ONTARIO (note 2)	<u>142,556</u>	<u>137,715</u>

See accompanying notes to financial statements.

SCHEDULE

ONTARIO HOUSING CORPORATION

Administration Expenses
Year ended December 31, 1982

	<u>1982</u> (\$000's)	<u>1981</u> (\$000's)
Salaries and benefits	149	387
General and office expenses	214	149
Grants and other expenses	44	167
Administrative support services (note 10)	<u>9,002</u>	<u>8,801</u>
	9,409	9,504
Less: Recovery of administration expenses	<u>8,140</u>	<u>7,733</u>
	<u>1,269</u>	<u>1,771</u>

See accompanying notes to financial statements.

ONTARIO HOUSING CORPORATION

Notes to Financial Statements
December 31, 1982

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles with the exception of investments in Provincial and Federal-Provincial properties (land and buildings) which are amortized over the terms of the corresponding indebtedness.

(b) Capitalization of Costs

Carrying charges for properties under development are capitalized and include interest, administration expenses and grants in lieu of municipal taxes.

(c) Self-Insurance

The Corporation follows the policy of self-insuring its Investment in Properties for property damage such as fire, water and vandalism. Costs of such repairs are charged to property operating expenses.

2. OPERATING FUNDS DUE FROM THE PROVINCE OF ONTARIO

The receivable of \$62.0 million (1981 - \$62.3 million) represents the balance due from the Province of Ontario for the current year's net operating loss less advances received to date.

3. INVESTMENT IN PROPERTIES

(a) Projects under development

Carrying charges for land under development were capitalized in the amount of \$0.4 million (1981 - \$1.1 million).

3. INVESTMENT IN PROPERTIES (Cont'd)

(b) Student housing on leased land

This investment represents building costs to provide student accommodation on land leased from 11 universities and colleges. These costs are being repaid semi-annually to the Corporation by the educational institutions over 50 years. When costs are fully repaid, the title to the properties will be transferred to the respective institutions. Rental and maintenance activities on these properties are administered by the institutions.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	1982 (\$000's)	1981 (\$000's)
Canada Mortgage and Housing Corporation	27,825	20,110
Other	<u>35,041</u>	<u>35,286</u>
	<u>62,866</u>	<u>55,396</u>

5. MORTGAGES, DEBENTURES AND CAPITAL INDEBTEDNESS

The Corporation borrows funds from Canada Mortgage and Housing Corporation (CMHC), the private sector and the Treasurer of Ontario to finance investments in real property. Such borrowings are repaid in accordance with agreement terms, over periods normally not in excess of 50 years.

Interest is payable to CMHC and the private sector at various rates based on individual agreements ranging from 4.25% to 15% - weighted average rate of 8.13% (1981 from 4.25% to 14.50% - weighted average rate of 8.09%); and interest is payable to the Treasurer of Ontario at the weighted average rate of 8.43% (1981 - 8.29%).

5. MORTGAGES, DEBENTURES AND CAPITAL INDEBTEDNESS (Cont'd)

Estimated scheduled principal repayments over the next five years due for all long term debts are as follows:

	(\$000's)
1983	6,286
1984	6,751
1985	7,229
1986	7,742
1987	8,293
subsequent to 1987	1,341,957

6. LOSS ON ASSISTED HOUSING OPERATIONS

Under its assisted housing program, the Corporation essentially provides rental accommodation to families and senior citizens. The loss on this program is shared with Canada Mortgage and Housing Corporation.

7. LOSS ON RENT SUPPLEMENT OPERATIONS

Under its rent supplement programs, the Corporation provides rent-geared-to-income accommodation within the private sector to applicants from its waiting list. The costs of these programs are shared with Canada Mortgage and Housing Corporation.

8. PROVINCIAL CONTRIBUTIONS TO MUNICIPAL HOUSING PROJECTS

The Corporation contributed \$10.9 million (1981 - \$9.9 million) to The Metropolitan Toronto Housing Company Limited towards operating costs for senior citizen apartment units.

9. LOSS ON RURAL AND NATIVE HOUSING PROGRAM

This program, administered by Canada Mortgage and Housing Corporation, provides subsidized home ownership to families in rural areas. Mortgage payments are geared to owners' incomes. The subsidy is shared by Canada Mortgage and Housing Corporation and the Corporation.

10. ADMINISTRATIVE SUPPORT SERVICES

The Ministry of Municipal Affairs and Housing provides central administrative support services to the Corporation. The charge for such support services was determined on a basis acceptable to both the Ministry and the Corporation.

11. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform with 1982 presentation.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381

To the Members, Ontario Housing Corporation, and
to the Minister of Municipal Affairs and Housing.

I have examined the balance sheet of Ontario Housing Corporation as at December 31, 1982 and the statement of operations for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1982 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements, applied on a basis consistent with that of the preceding year.

In accordance with section 12 of the Ontario Housing Corporation Act, a report on the audit has been made to the Corporation and to the Minister of Municipal Affairs and Housing.

Toronto, Ontario,
May 6, 1983.

D.F. Archer
D.F. Archer, F.C.A.,
Provincial Auditor.

COMMUNITY PLANNING

The function of the *Community Planning Wing* is to ensure that provincial, municipal and private objectives can be achieved through an effective land use planning process.

The wing administers the regulatory planning process as well as grant and loan programs. Staff advice and assistance is provided to municipalities, business organizations and the public on all matters pertaining to the Planning Act and related legislation.

COMMUNITY PLANNING PROGRAMS.

The community planning programs division, formed in August, 1982, includes the community planning advisory, community renewal, research & special projects branches. These branches are responsible for all planning wing programs of direct financial and advisory assistance to municipalities, for the research functions of the wing as a whole. The regular liaison with municipalities provides improved participation in establishing research topics, and the research capabilities allow for increased program analysis and evaluation.

Intra-division projects undertaken during 1982/1983 included a survey of municipal satisfaction with the community planning study grants program, and an investigation of the land and opportunity for a program in industrial revitalization.

Community planning advisory branch. The community planning advisory branch (CPAB) is a decentralized operation with offices in Ottawa, London, Sudbury, Thunder Bay and Toronto. It is responsible for promoting community planning through the provision of education

activities, direct financial and technical assistance and advisory services. To minimize duplication in the planning process, emphasis is placed on those areas without planning staff or with insufficient full-time staff.

Education activities. In 1982/83, the branch organized 94 educational seminars and workshops, and participated in 64 sessions which were initiated by other branches or agencies. The major activity took place in February and March, after the passing of the new Planning Act. CPAB participated in the 21 new councillors' seminars in conjunction with the municipal affairs wing, advising both new and returning municipal council members of the changes to take place under the new act.

Technical assistance. CPAB offers professional planning assistance to many Ontario municipalities on a no-cost consultant basis. During 1982/83, 41 documents were prepared (relating to official plans and zoning by-laws), and terms of reference were drawn up for 33 studies.

During the year, 334 plans, reports and documents were reviewed by staff. This included comments to the plans administration branches to provide a local perspective on documents submitted for approval.

Financial assistance. CPAB administers three grant programs providing funding to municipalities: community planning study grants (CPSG), planning administration grants (PAG), and energy conservation through land use planning (ECTP).

In 1982/83, 91 municipalities and joint planning boards received provincial commitments for \$929,000 under the CPSG program. In some cases, first installments were made during the fiscal year and outstanding amounts will be provided upon completion of the individual planning studies.

Among the 100 documents to be produced as a result of these commitments are:
Official plan documents (new or

revised plans, major amendments, secondary plans) 48
Zoning by-law documents (new or revised by-laws, major amendments, by-laws to replace minister's zoning orders) 36
Special/other planning studies . . . 16

The branch also awarded grants totalling \$225,000 (under PAG) to facilitate the administration of planning activities in 15 planning areas containing unorganized territory in northern Ontario.

The energy conservation through land use planning program which began in 1981/82 to provide funding to all municipalities to include an energy conservation component in their planning studies was continued in 1982/83. New commitments totalling \$292,000 to 10 additional municipalities were made during the year, through funds from the Ministry of Energy.

Advisory services. Approximately 30 per cent of staff time was devoted to advisory and general consultation services to municipalities, other provincial agencies, developers and the general public. Branch staff represented the ministry on a number of committees and performed a liaison role with other agencies and the general public on matters of ministry concern.

COMMUNITY RENEWAL

The community renewal branch is responsible for encouraging community improvement through assistance to municipalities and the private sector. In carrying out this responsibility, the branch administers a number of provincial and federal/provincial programs in addition to providing advisory services to both municipalities and the private sector on community improvement related issues.

Ontario neighbourhood improvement program (ONIP). This program was introduced in 1981 after the federal government terminated the community services contribution

program. Under ONIP, municipalities receive a 50 per cent provincial grant for projects to upgrade municipal services and social and recreational facilities in areas which are deteriorating (but potentially stable) and are occupied by low and moderate-income households.

During the 1982/83 fiscal year, \$11.9 million was committed to 57 municipalities bringing the total commitment at the end of 1982/83 to \$23.8 million to 102 projects in 76 municipalities. Provincial payments for these projects are expected to be made during the next three to four fiscal years.

Ontario downtown revitalization program (ODRP). Introduced in 1976, the program assists eligible municipalities with a maximum population of 125,000 to facilitate privately funded downtown redevelopment. Public funds are invested in land acquisition, parking facilities and servicing to make a downtown redevelopment project attractive to the private sector. The public sector investment is recovered through land sale and/or leasing, tax increments and contingent income from the downtown redevelopment project. The province provides assistance to municipalities in the form of partially recoverable loans up to a maximum of two-thirds of the approved public sector costs. Total provincial recovery is contingent upon additional revenue being created for the municipality.

During 1982/83 fiscal year additional commitments in the amount of \$4.7 million were made to three municipalities. As of the end of the fiscal year approximately \$52.8 million of a total appropriation of \$56.5 million has been committed to 12 downtown redevelopment projects in 10 municipalities. Eight projects have been completed and repayment of the loans has begun.

Ontario main street revitalization program. This program was introduced in 1978 to assist municipalities with a maximum population of 35,000 to improve and upgrade the downtown core area using the BIA concept.

The province provides assistance to municipalities through a maximum \$150,000 loan toward physical improvements and parking projects being undertaken in accordance with BIA plans for the downtown area. Total provincial recovery from the BIA and/or municipality is limited to 110 per cent of the loan over a maximum 10-year period.

During the 1982/83 fiscal year \$2 million was committed to 15 municipalities. As of the end of the fiscal year, more than \$7.5 million had been committed to projects in 55 municipalities. Of these projects, 40 have been completed and repayment of the loans has begun.

Business improvement areas. The business improvement area (BIA) concept began in 1970 when the province enacted what is now section 217 of the Municipal Act, R.S.O. 1980. This BIA legislation provides local business and retail communities with the opportunity to establish a formal organization to facilitate physical improvements and coordinate marketing and promotional activities within their area.

The branch actively promotes the BIA concept in municipalities and was instrumental in the establishment of the Ontario Business Improvement Area Association (OBIAA). In addition to providing advisory services to established and prospective BIAs, the branch has established a permanent liaison with OBIAA to assist that organization in fulfilling its mandate. At the end of the 1982/83 fiscal year, there were 159 active BIAs in the province with a cumulative annual budget exceeding \$7.5 million.

Other programs. The branch is still actively involved in administering and overseeing renewal programs that have been terminated by the federal government but which still have outstanding provincial commitments. These programs are: urban renewal, neighbourhood improvement and community services contribution program. In 1982/83, 138 projects were still in the process of being implemented with an outstanding

provincial commitment of approximately \$15 million.

RESEARCH AND SPECIAL PROJECTS BRANCH.

The research and special projects branch was created on August 31, 1982 by combining the special studies and programs sections of the local planning policy branch with the project planning branch. The branch provides technical advice on community planning to the ministry. The impact of changing economic and social conditions upon communities, and the consequences for development and redevelopment are analyzed and related to existing programs and future needs. Branch initiatives emphasize practical approaches to opportunities and constraints affecting community planning and development. Publications, based upon this work, provide an insight into community planning issues of use to municipalities, other government agencies, consultants and the development industry.

Recent projects include:

- Publication of a report dealing with site planning for solar access.
- Publication of a review of the *Local Development Standards Study* published by the Ministry of Housing in 1976.
- Publication of a report outlining an approach for determining energy savings which could be realized through the use of alternative, energy-efficient, planning practices.
- Publication of a review of the problems related to the functioning of older, inner-city industrial areas with recommendations for programs to improve their longevity for industry.
- Completion of the *Lakeshore Capital Study Phase III*, a co-operative project with the ministries of the Environment and Natural Resources. The "model" which has been developed requires further testing and refining. It provides a scientific basis for planning and evaluating applications for cottage development on inland lakeshores in the Muskoka-Haliburton area.

completion of a report on the road implications of an aging population for community planning practice in urban areas.

completion of a report on the use of computers in planning.

LOCAL PLANNING POLICY.

With the reorganization of the *Community Planning Wing*, the local planning policy branch is now composed of two sections. The policy section is responsible for initiating and responding to legislative needs related to municipal planning and the coordination of statements of provincial policy in planning matters. The operations section is responsible for development of explanatory guidelines, regulations and other material related to the Planning Act for conducting educational sessions to assist in greater understanding of the province's interests in planning.

Planning Act. The main efforts of the branch during 1982/83 were directed to completing the comprehensive review of Ontario's planning legislation. During the summer of 1982, the standing committee on general government continued to review Bill 159 and Bill 194 and staff of the branch served as resource personnel as required by the committee. On January 25, 1983, Bill 159 and Bill 194 received final reading. Royal assent quickly followed. A series of intensive meetings were held to familiarize ministry staff with the new act. In February and March, 21 meetings were conducted across the province (in conjunction with the Association of Municipalities of Ontario) to inform municipal councillors and staff of the new legislation. Staff of the branch played a leading role in all of these sessions, which were attended by over 2,000 municipal representatives.

A key factor in the success of these meetings was the development of an audio-visual presentation and publication of an information kit for the new act. This kit included copies of Bill 159 and 194, two manuals to assist municipal clerks and

councils in getting ready for the new legislation, and three guidelines to explain the ministry's position on planning advisory committees, local planning in northern Ontario and the delegation of planning authority. Also included was a preliminary draft of regulations needed in conjunction with the new act. All material was sent to every municipality in the province.

Staff also has met with representatives of the development industry, public interest groups and professional organizations involved in the planning and development process. The new act came into effect August, 1983.

PLANS ADMINISTRATION: NORTH AND EAST, CENTRAL AND SOUTHWEST.

During 1982/83 the plans administration division was reorganized and consolidated into two review branches: Plans administration branch, north and east, and plans administration branch, central and southwest. The operations control branch was disbanded and the functions relating to preparation of guidelines on planning procedures and co-ordination of ministry comment on environmental assessments was assigned to the local planning policy branch. The administrative support unit, development co-ordination unit and cartography and drafting units were assigned between the review branches. The branches were renamed plans administration branches to reflect the additional responsibilities with respect to community planning throughout the province.

The branches perform regulatory and monitoring functions for a variety of planning responsibilities based on a geographical division of the province.

North and east (all regions, counties and districts north and east of Simcoe county and Durham region);

Central and southwest (all counties and regions west of Northumberland and Victoria counties and the district municipality of Muskoka).

The branches administer the

approval of official plans and amendments, plans of subdivision and condominium. They also implement the delegation of the minister's authority under the Planning Act, which includes subdivision, condominium, local official plans and amendments (in regions) and consent approvals. The branches monitor various approvals delegated to regional municipalities, as well as severances granted by planning boards.

In areas outside regions, zoning by-laws are reviewed by these branches and comments are made to the Ontario Municipal Board. They also approve amendments to the minister's zoning orders.

Other functions include approving applications for the minister's consent, the validation of land titles, road adjustments, part lot control by-laws and deeming by-laws.

The plans administration branch, central and southwest, is also responsible for handling appeals to decisions on Niagara Escarpment development permits, implementing the Parkway Belt west plan and approving amendments to Parkway Belt regulations.

The preparation of minister's zoning orders for unorganized areas in northern Ontario is administered in the plans administration branch, north and east.

The general administration section provides clerical support to the branches. Its responsibilities include administering outstanding loan and grant commitments made under the Ontario housing action program. The cartography and drafting section provides mapping and graphic services to the branches and the *Community Planning Wing*.

ANNUAL STATISTICS, FISCAL 1982/83

	<u>1982/83</u>	<u>1981/82</u>
Development grants		
New grants	0	0
Total amount paid	0	0
Grants completed or extended	0	1
Total amount paid	<u>0</u>	<u>\$500,000</u>
	0	\$500,000
Interest free loans		
Number of loans made	0	0
Total loans approved	0	0
Amount disbursed	\$2,809,126	\$256,772
Housing incentive grants		
Amount disbursed	\$ 17,400	\$247,576
Zoning		
Comprehensive and amending by-laws received	4275	4942
Comprehensive and amending by-laws terminated	4309	4892
Zoning orders		
Amendment applications received	230	234
Applications terminated	247	236
Minister's consents		
Applications received	1024	1238
Applications terminated	1085	1326
Official plans		
Proposed official plans received	35	36
Proposed official plan amendments received	691	819
Official plans terminated	43	45
Official plan amendments terminated	763	859
Parkway belt		
Received	249	130
Terminated	249	132
Niagara Escarpment Commission		
Appeals received	95	107
Appeals terminated	97	112
Road adjustment by-laws		
Received	347	299
Terminated	343	293
Part-lot control		
Received	23	12
Terminated	22	15
Validation		
Received	53	71
Terminated	70	56
Subdivision and condominium applications		
Received	188	300
Terminated	310	468
Subdivision submissions of delegated regions	269	398

MUNICIPAL AFFAIRS

LOCAL GOVERNMENT ORGANIZATION BRANCH.

In broad terms, this branch has responsibility for advising senior management and the minister with respect to the authority and responsibility local government should be accorded in terms of its functions, its organizational arrangements and its structure. The branch works toward a local government that can be effective, responsive and more easily understood.

The branch is involved both in current and topical policy formulation and advice and in longer term policy planning and initiatives. The branch has responsibility for co-ordinating municipal legislation and carrying out policy as it is to be expressed and introduced as legislation.

The branch is made up of three sections: the functions policy section, organization policy section and legislation section. The objectives and selected current activities of each section are set out below:

Functions policy section.

Assesses and develops proposals to increase the effectiveness of local government and to increase its capacity to set priorities and deliver services.

Anticipates future trends that will place new demands for services on municipalities.

Studies existing and proposed arrangements for service delivery in the municipal sector. This includes the division of responsibility between local government and the province and between levels of local government in a two-tier system.

Communicates with other ministries regarding existing local government policy and the implications that the proposed programs and policies of those ministries will have for municipalities.

palities. To this end, section members attend meetings of the policy field cabinet committees.

- Examines the relationships between municipalities and other agencies in local government and makes recommendations for change.
- Provides advice on the proposals of other ministries as they affect local government. Staff participate in interministerial and intergovernmental committees on such varied topics as services to the aged, review of the Fire and Police Acts, transportation of dangerous goods, and animal control.

Organization policy section.

- Assists in the development of more effective local government structures, including monitoring requests from restructured areas.
- Undertakes research and policy development on the organizational character of local government to improve its accountability, accessibility and responsiveness to local needs and conditions. Recent activities have included research into public access to information and municipal meetings, a revised Municipal Conflict of Interest Act and the three year term.
- Monitors and assists in the new boundary negotiations process (Bill 197). The Municipal Boundary Negotiations Act was proclaimed in February 1982. The section also monitors boundary change applications exempt from the new procedures.
- Undertakes studies and liaison promoting more effective local government in northern Ontario.

Legislation section.

Objectives and Activities.

- focal point in the ministry for requests for changes in legislation, the section is informed of the status and content of all legislative proposals and liaises with other branches of the ministry.
- ensures that the statutes of the ministry are well organized and up to date, the section reviews existing statutes and makes

recommendations to modernize and improve the legislation (e.g., the Municipal Act).

- provides advice to senior management and the minister on requests for public and private municipal legislation to ensure that the process for public and private legislation is well co-ordinated and effective.

The branch continues the local government student research assistance program, which provides grants to assist students with the costs of undertaking theses, dissertations and research papers on topics related to local government in Ontario.

MUNICIPAL FINANCE BRANCH.

The municipal finance branch is responsible for the development of policy and legislation intended to ensure the long term financial viability of Ontario municipalities with respect to their revenue base; expenditure levels; and cost-sharing among municipalities and taxpayers.

In performing its role, the branch undertakes research (e.g., the simulation of the impact of grants and apportionment policy changes), and prepares policy papers and submissions for consideration by the minister and cabinet. Branch representatives meet frequently with the various "client" groups interested in municipal finance (e.g., elected and appointed municipal officials).

The municipal finance branch also provides liaison with other ministries and agencies on municipal allocations and other provincial initiatives which have municipal finance implications.

The branch is divided into three sections: grants and other revenues, taxation, and forecasting and analysis. The main policy areas for each group involve the following:

Grants and other revenues.

- Annual review of the ministry's unconditional grants program to ensure the efficient and equitable transfer of funds to municipalities. In 1983, the program contributed approximately \$676 million to the municipal sector.

- Development of a discussion paper on the reform of the unconditional grants program and participation in consultation process with the Association of Municipalities of Ontario.
- Participation with the Ministry of the Solicitor General in the evaluation of municipal police financing.
- Evaluation of other ministries' grant programs and how they affect the finances of municipalities.
- Policy development on municipal debt, lot levies and municipal pension plans.
- Lead role in the committee studying the consolidation of all municipal finance legislation from the various acts which presently have finance provisions.
- Similar position in the municipal debt management committee which is made up of representatives from the province, the municipalities and the financial community.
- Development of municipal grant for bicentennial celebrations.

Taxation

- In conjunction with the Ministry of Revenue, formulating policy options to accommodate broader scale reassessment initiatives within a county or region.
- Policy development toward the determination of an appropriate basis for distributing metro, regional and county costs among their constituent municipalities.
- Review of payments to municipalities made in lieu of property taxes.
- Evaluation of private legislation and development of general government policy respecting exemptions from property taxation.
- Support for cabinet committee on municipal assessment, taxation and grants.
- Review and enhancement of procedures for collection of local taxes with respect to:
 - Interest, penalties and discounts;
 - Business taxes;
 - Payments to school boards and upper tiers.

Forecasting and analysis.

- Forecasts of local government expenditures and revenues.
- Financial analysis of municipalities for the Ontario Municipal Board and on request from other ministries (e.g., Northern Affairs).
- Analyses of the economic bases of municipalities in high unemployment areas.
- Policy development on municipal job creation.
- Policy development for the distribution of special, transitional and loss of revenue grants.
- Analysis of inflation restraint impact on municipal sector.
- Annual publication of *Local Government Finance in Ontario*, a statistical review of local government finances.

PROVINCIAL-MUNICIPAL AFFAIRS SECRETARIAT.

The secretariat performs a liaison function between the province of Ontario and those municipal organizations which collectively represent local government in Ontario.

During the past year a close working relationship has grown between the secretariat and the Association of Municipalities of Ontario, which represents the majority of Ontario's 838 municipalities. This relationship has developed as part of the new provincial-municipal consultation process. Regular meetings were held between the AMO executive and the Minister of Municipal Affairs and Housing, with other members of cabinet attending to discuss matters of mutual concern. The secretariat is responsible for the arrangements and agendas for these meetings.

In conjunction with AMO, the secretariat organized a series of 21 seminars for newly elected councillors, held across the province. Topics included the new Planning Act, the new Conflict of Interest Act, municipal finance and administration and the province's inflation restraint program. Over 2,500 councillors attended these seminars, and the

response was overwhelmingly positive.

For 1983 the secretariat produced a *Municipal Directory* which is the most comprehensive in Canada. In addition to the regular material, the lists of municipal officials were expanded to include the directors of planning, recreation, police and fire chiefs, tax collector, and chief building official for each municipality. These expanded listings reflect the growing importance of the various departments of local government in Ontario.

The secretariat also produces *Background*, a weekly newsletter on topics of current interest in local government, and circulates quarterly summaries of municipal resolutions and provincial responses.

SUBSIDIES BRANCH.

Program	Total amount paid	Total clients served
Disaster relief assistance program	2,981	1 municipality
Property tax reduction program	68,528,000	151,939 farm properties
Investment in municipal administration program	840,384*	348 students
Managed forest tax reduction program	1,150,100	8,015 properties
Marinas & boating facilities program	772,597	80 municipalities
Municipal energy audit program	861,540	42 municipalities
Junior employment incentive program	31,250,000	708 municipalities 20 conservation authorities 8,135 jobs
Junior municipal training program	159,603**	24 municipalities
Junior unconditional grants program	613,729,529	838 municipalities
Junior youth employment program	24,107,000	17,000 employers 41,500 jobs
Financial parks program	310,802	95 municipalities
Special properties payment-in-lieu-of-taxes	20,699,988	650 municipalities
Reline property assistance program	364,300	34 municipalities 44 participants
Local emergency assistance program	275,678	10 municipalities
Unoccupied provincial properties program	4,905,306	605 municipalities
Canada-Ontario employment development program	9,215,415	332 municipalities
Municipal	783,751	52 participants
Non-municipal	256,982	22 municipalities
French language services		

*Includes \$173,325 paid under municipal action '85.

**Includes \$ 76,676 paid under municipal action '85.

MUNICIPAL OPERATIONS DIVISION.

The municipal operations division provides a full range of advisory services to improve local government effectiveness and monitors financial management and reporting requirements for municipalities. During the past year the division has achieved significant advances in implementing the municipal action '85 plan. In addition, work got underway in assisting municipalities

to settle boundary disputes. 19 applications were received under this new legislation.

A network of 10 field offices assists the division.

Field services branch. The field services branch operates a network of 10 field offices in Ontario to advise and assist municipalities, the public, other government ministries and agencies on all aspects of local government.

Field offices are located in Thunder Bay, Sudbury, North Bay, Ottawa, Kingston, Oshawa, Orillia, Cambridge, Guelph and London with a head office in Toronto.

Staff members of the field offices have the first line responsibility to assist municipalities to comply with recognized practices and maintain financial stability. Problems are usually resolved at the local level. When necessary, the field office staff will provide on-site assistance.

For the more than 460 municipalities under 2,500 population, the guidance from the branch is particularly emphasized and requested as complexity of municipal administration increases.

The direct supervisory capacity of the ministry for the conduct of the affairs of the seven improvement districts and three other municipalities is carried out by the branch. Two municipalities have requested and are receiving supervision in certain matters (modified supervision).

The branch prepares the background material on special assistance by way of grants or loans due to extenuating circumstances. In the fiscal year the minister approved 11 grants.

The rapport between branch staff and municipal officials is developed by branch seminars for municipal staff and attendance as resource people at municipal association and zone meetings.

Financial reports of all municipalities are reviewed by the branch. Weaknesses are identified and taken up with the municipality and the auditor.

Training of inexperienced senior municipal staff by the on-site attendance of municipal consultants is provided by the branch, either by a joint share-cost agreement with the municipal corporation or by a direct payment to the corporation toward the cost.

Municipal boundaries branch.

The function of the municipal boundaries branch is to administer the Municipal Boundary Negotiations Act, 1981, and to assist municipalities who apply for the procedures under the act.

The purpose of the act is to provide a process whereby municipal politicians on all sides of a boundary or boundary-related issue may resolve annexation or amalgamation matters or resolve intermunicipal problems arising in respect of boundary-related issues, by direct intermunicipal negotiations.

Municipal boundaries branch provides the resources to carry out fact-finding inquiries on behalf of the minister, to act as facilitators and mediators to assist municipalities in resolving their issues, and to generally see that the provisions of the act are carried out.

There are six separate, usually sequential steps in the process. They are:

- orientation of municipal councils and staff
- application for initiation of procedures provided for in the act by a municipality
- fact-finding by municipal boundaries branch staff, on behalf of the minister
- negotiations between affected municipalities chaired by a chief negotiator from the municipal boundaries branch
- an agreement or non-agreement
- post-negotiation activities and minister's action

In certain circumstances one or more of the steps may not apply, such as in uncontested applications where there is agreement or near agreement between municipalities prior to an application and no need for formal negotiations are required under the act.

During 1982/83 the branch received 19 applications from municipalities. Fact finding inquiries were started in all 19 and concluded in seven. Of these seven, two were uncontested which were implemented by order-in-council and formal negotiations started in the other five.

Research on various subjects is carried out by branch personnel on an "as required" basis as and when identified by a negotiation committee. This includes financial analysis of the impact on the municipalities involved in the negotiations of potential and/or proposed areas to be annexed.

The result of the branch's program is that boundary and boundary-related disputes are resolved in a politically accountable way; in a process that is non-legalistic; at a minimum cost to municipalities and the province; and in a manner that permits on-going good relationships among municipalities at the conclusion of negotiations.

Municipal management policy branch.

The municipal management policy branch is the focus for a broad range of provincial initiatives to promote and provide assistance for the effective management of Ontario's municipalities.

The activities of the branch are designed to achieve three primary objectives:

- On behalf of the provincial government, the branch encourages compliance with provincial policies and legislation by municipalities and ensures effective administration of related ministry programs.
- It advises the province, municipalities, municipal organizations, government agencies and the public on trends and issues in municipal management.
- The branch promotes the application of modern technologies and techniques to assist municipalities in the improvement of their management capabilities.

The branch has received international recognition. The publication *Performance Measurement for Municipalities* received the 1982 award for excellence from the Municipal Finance Officers Association. (A second award in 1983 for the *Municipal Financial Reporting Handbook* has just been received.)

Expertise in the field of new technology has resulted in an exchange of

information and requests for assistance in the development of services from the Organization for Economic Co-operation and Development (OECD); demonstrations of the MARS system have been made to professional associations such as the International City Managers Association (ICMA) and the Municipal Finance Officers Association, to provinces, and to the All-Canada Stats Canada Conference. At the request of the chief inspector of audits, responsible for municipal auditing in the United Kingdom, information was furnished on the auditing situation in Ontario.

Management advisory publications on a wide range of administrative, financial and organizational matters and on issues of special interest to municipal administrators are prepared by the branch.

Two major publications were completed:

- a) *Joint Services in Municipalities - Case Studies*
This publication describes different ways in which local governments have pooled their skills and resources to increase their capacity to manage effectively in the area of a purchase co-operative; a shared computer facility; a shared recreation and convention centre; shared sports and recreation program; and a shared clerk/treasurer.
- b) *Basic Accounting Package (BAC)*
Designed primarily for small municipalities, this is a manual basic bookkeeping, accounting and management procedure which includes a model chart of accounts. It has been tested and is being implemented in twelve municipalities as pilot projects.

Other publications in progress include: *Monograph on Sick Leave Compensation*; *"How to Borrow"*; *New Operating Budget*; *Capital Works Management*.

A study of the role of the municipal auditor is in progress. Phase I — *Accountability in the Local Government Environment* was completed.

g the year. Phase II has now
enced and will review the
or's role in local government.
study aims at providing an
rstanding of the accountability
rns within municipalities and
een municipalities and senior
of government.
Specialized advice is provided to
cipalities, municipal associations
educational institutions in
on to special projects concerning
cipal organization and manage-

**Management analysis and retrieval
system (MARS).** MARS is a unique
municipal information data bank that
its analysis and evaluation of the
sector for policy development
review of municipal finance
s.

The data bank is also used by
branches of the provincial
nment in the development of
provincial budget, municipal
cial policy and the administration
conditional grants.

The MARS facility is also being
oyed in the development of a
ation model to analyse the
ct of municipal boundary changes
n the application of new
ologies to municipal financial
ting, comparative analysis and
gement information systems.
The MARS information is being
available to other parts of the
nment, to municipalities,
ultants, academics, rating
cies and others interested in
rio's municipal sector.

The system has been extended to
de access to field offices, a
ber of municipalities, and the
ciation of Municipalities of
rio.

Municipal action '85. This program
aunched in May 1982 with the
f assisting municipalities of all
and sizes in the improvement of
management and operations.
program provides direct funding
ree general program categories:
ng and development; budget
nting and control systems (the
PAC system described above);

advanced management systems
covering projects relating to the
whole range of municipal operations.

Response to the program has
been excellent with payments to
municipalities and individuals
exceeding \$1 million in the year.

A fourth program category
covers general management
initiatives. Work has commenced on a
consolidated municipal reference
directory and the first volumes should
be available to municipalities within a
few months. The branch is also in the
process of developing a study of the
feasibility of micro-computers for
municipal governments. The branch
has also been involved with the field
services branch in the development of
joint municipal service initiatives.



Ontario
Land
Corporation

60 Bloor Street West
Toronto, Ontario
M4W 3K7

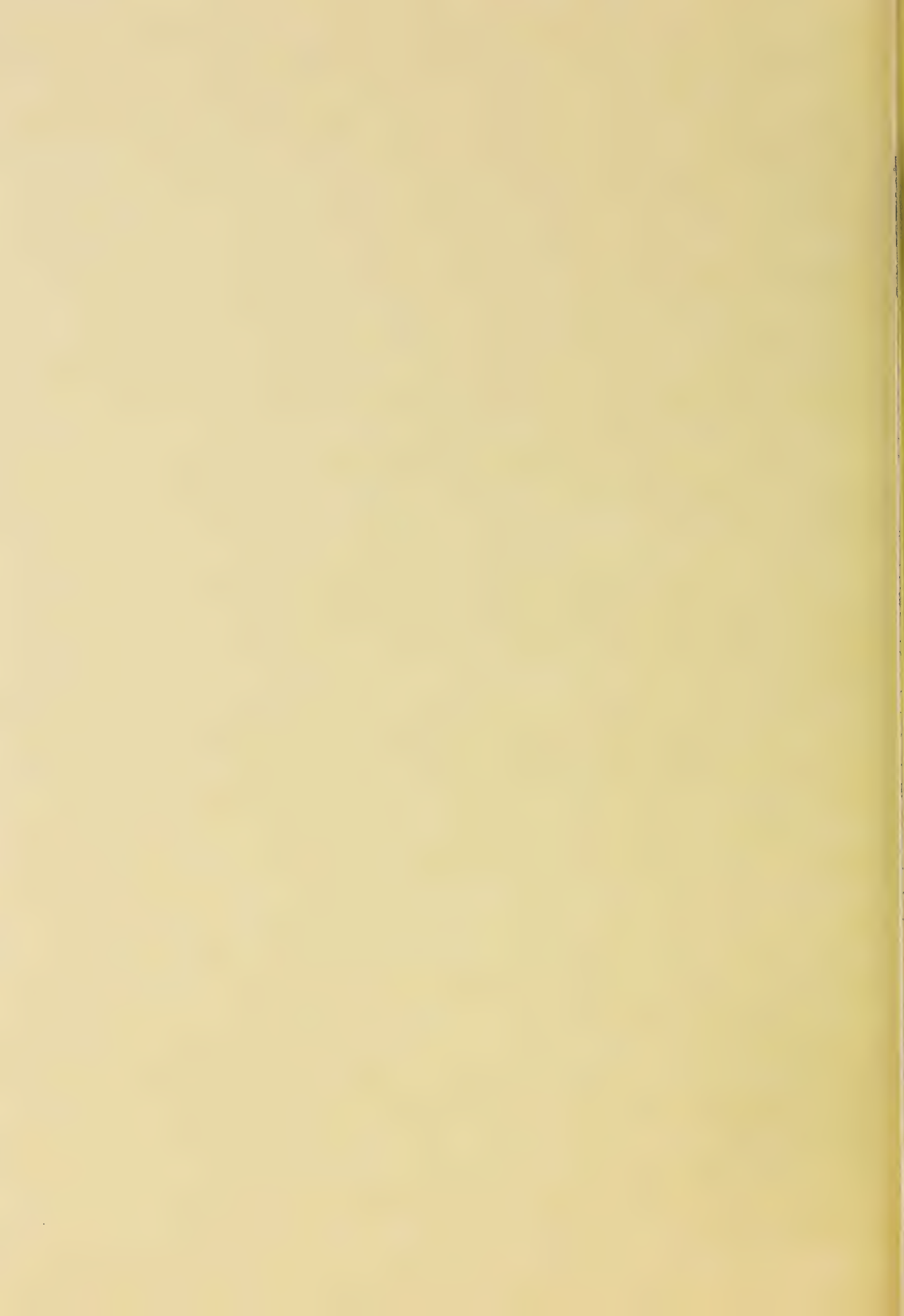
THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

On behalf of the Directors, I am pleased to present to you the Annual Report of Ontario Land Corporation for the year ending March 31, 1982.

Respectfully submitted,

H.W. HIGNETT, M.B.E.
Chairman of the Board and President



ONTARIO LAND CORPORATION

BOARD OF DIRECTORS.

Bert W. Hignett, chairman
Bert W. Riggs, vice-chairman and
chief executive officer
Ian P. Davies
Les H. Joyce
Gerry Trusler
Marice J. Closs
Philip A. Marrese
J. Lee Martini
C. Paradis
Charles C. Parsons
Wiley G. Payne

THE YEAR IN REVIEW.

This year *Ontario Land Corporation* completed its amalgamation with *Ontario Mortgage Corporation* and *OLC* is now a wholly owned subsidiary. *Ontario Mortgage Corporation's* assets, liabilities and net earnings were transferred order-in-council to *OLC* effective April 1, 1982 and its shares transferred effective June 1, 1982. Concurrent with the amalgamation two boards of directors also merged. This merger will facilitate repayment of the combined debt of the treasurer and increase the overall efficiency and effectiveness of the corporation in managing its corporate resources.

A major initiative undertaken during the year was the administration of the Ontario renter-buy program which was announced by the treasurer on May 14, 1982. \$75 million was allocated to provide assistance to first-time home buyers to encourage employment in the construction and related industries. The program consisted of interest-free loans of up to \$5,000 towards the purchase of a new home within established price ceilings. Eligible purchasers were required to meet specific program criteria. At March 31, 1983, 14,600 applicants

had been approved for assistance and 12,400 loans were disbursed amounting to a total of \$62 million. A total of 37,200 man-years of employment will be created.

Construction and advances continued under the Ontario rental construction loan program (ORCL). The program provided interest-free second mortgage loans to assist in the construction of private rental accommodation in areas with low vacancy rates. Some of the projects previously approved had not proceeded because of high interest rates and difficulty in obtaining first mortgage financing. At year's end, 10,300 units had been completed, 1,700 were at the roof stage, and 3,500 were in various stages of construction for a total of 15,500 units. \$40.3 million has been advanced this year with a further \$26.1 million to be advanced during fiscal 1983/84. This program created 46,000 man years of employment in the province.

These two programs are administered by the corporation on behalf of the government of Ontario and the loans are not part of the corporation's asset portfolio.

The quick pay mortgage plan was launched during this fiscal period enabling mortgagors to reduce the amortization period of their mortgages. Under this plan mortgagors can make weekly or bi-weekly payments rather than the traditional monthly payments. By year end 9,800 mortgagors had taken advantage of this new payment method which will result in considerable interest savings for homeowners.

The corporation signed an agreement with Canada Mortgage and Housing Corporation to consolidate its outstanding debenture and loan agreements; a debt retirement fund was established to repay outstanding debentures of \$112 million over a 20-year period. *OLC* has also approved a debt management plan covering the repayment of outstanding debt to the treasurer of Ontario. Under this arrangement, the corporation paid to the treasurer more than \$120 million in principal

and interest this fiscal year.

Although down slightly from last year, significant sales were realized in the inventory of properties acquired through mortgage defaults and arrangements were made with mortgagors to avoid additional defaults.

Interest rates, although declining from the peak reached in 1981, remained high until the last quarter of 1982. This affected earnings from the mortgage portfolio as mortgages were re-financed at the higher rates or paid off in full. During the latter part of the fiscal period there was a marked increase in discharges as mortgagors, who had renewed during the higher interest rate period, took advantage of lower rates available in the private sector. Land sales were also adversely influenced by high interest rates during most of the fiscal year.

The corporation's land inventory is 26,928 hectares. Of the 23,634 hectares available under the farm-lease program, 95% were leased through 1,134 individual agreements. Lease revenues were \$3.5 million.

In the North Pickering land assembly, the number of outstanding final settlements resulting from expropriation was reduced to 44. A formula for settlement of the ombudsman complaints was agreed upon and at March 31 1983, 43 complainants (representing \$776,743) had settled out of the original 96.

FINANCES.

The financial results for 1982/83 reflect the combined operations of *Ontario Land Corporation* and *Ontario Mortgage Corporation*.

Gross revenue was \$115,492,000, down \$18,752,000 from the previous year due primarily to reduced sales of properties acquired under mortgage defaults. Interest income on mortgages and loans increased by \$3,432,000, reflecting the higher prevailing rates on mortgage renewals.

Net income was \$16,572,000, up \$3,798,000 from 1981/82, due mainly to the increased yield on the mortgage loan portfolio and a reduction in general and administrative expenses.

The latter are now borne by the Ministry of Municipal Affairs and Housing.

Assets of the corporation have decreased by \$46,204,000. Some \$12 million of this represents a reduction of the acquired property portfolio, \$20 million represents a reduction of the mortgage and loan portfolio, and \$8 million represents a reduction of cash and short-term investments. During the fiscal year, 4,300 mortgages with a total principal balance of \$77.8 million were renewed. Interest renewal rates ranged from a high of 17½ per-cent in April, 1982 to a low of 13¼ percent in March, 1983.

MARKETING AND DEVELOPMENT ACTIVITIES.

There was an increase in residential land purchased by builders as a result of the Ontario renter-buy program. Assistance provided under the ORB program also stimulated house sales in many communities.

New sales agreements reached \$27.5 million compared to \$24.6 million in 1981/82. Sales agreements totalling \$28.3 million closed this year compared with \$32.8 million last year.

New sales included lots for 1,248 residential units and 27 hectares of block lands for residential, industrial, commercial and institutional uses.

At year's end, the corporation had reduced its acquired properties portfolio to 353 units. As a result of successful sales campaigns and an upturn in the real estate market, \$17 million in sales were accomplished within this year.

Malvern.

Plans were completed for 1,000 residential units in Malvern, a community in north-east Scarborough with a present population of approximately 30,000 and a full mix of residential, commercial, industrial and related land uses.

Registration and servicing of the first phase of neighbourhood 2 area was completed. 400 lots offered were sold, and houses are under construction; 9 hectares of block lands were also sold during this fiscal period.

Townsend.

A major initiative in 1982/83 was the construction of a \$2.7 million administration building for the region of Haldimand-Norfolk in the spring of 1982; completion is scheduled for June, 1983.

Three residential lots were sold to builders, and 31 homes were purchased and occupied. In the Village Centre, OLC holds leases with a pharmacy, bank, convenience store, professional and institutional offices. Other leases are currently being negotiated.

Other developments.

Aurora: Development is nearing completion with the last stage of 74 singles and semi-detached units serviced; a total of 41 residential land units were also sold.

Hamilton: Consistent with corporate plans, serviced inventory is being reduced through sales. Services were completed in Gilbert where sales are expected in 1983/84. In Mohawk Gardens, stage II, above-ground services were installed in areas where house construction was completed.

Kitchener: Substantial site improvements were carried out in Glencairn subdivision to maintain current marketing and development success. This included resubdivision of a number of street town housing blocks into more marketable single and semi-detached lots.

Heritage Green: House construction is continuing in phase III, with 121 land units sold. In October, the town of Stoney Creek opened the first phase of the community recreational complex which included a library, community meeting rooms and auditorium. A 100-unit senior citizens' complex was officially opened in December 1982.

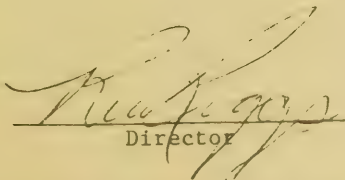
Ottawa Area — Nepean: The Nepean Borden farm plan with 500 low density units was registered and sold with approved engineering plans. Land sales included 15 hectares of block lands. In adjacent Kanata the balance of all low density lots were serviced and sold leaving only two multiple blocks in OLC ownership.

ONTARIO LAND CORPORATION

Balance Sheet
March 31, 1983

	<u>Notes</u>	<u>1983</u> <u>(\$'000)</u>	<u>1982</u> <u>(\$'000)</u>
ASSETS			
Real Estate			
Land Inventory	3	487,694	491,745
Land Leased to Homeowners	4	35,519	35,883
Properties	5	11,592	23,703
	6	<u>534,805</u>	<u>551,331</u>
Mortgages and Loans	7,11(b)	581,078	601,072
Cash and Short-term Investments	8,11(b)	55,254	63,316
Securities	9	8,793	8,793
Accounts Receivable		<u>953</u>	<u>2,575</u>
		<u>1,180,883</u>	<u>1,227,087</u>
Mortgage Guarantee Fund	15	<u>1,968</u>	<u>1,780</u>
LIABILITIES			
Long-term Debt			
Treasurer of Ontario	10	1,011,747	1,067,737
Canada Mortgage & Housing Corporation	11	107,557	111,959
Other	12	319	617
		<u>1,119,623</u>	<u>1,180,313</u>
Accounts Payable and Accrued Liabilities		<u>7,365</u>	<u>9,451</u>
		<u>1,126,988</u>	<u>1,189,764</u>
EQUITY			
Retained Earnings		<u>53,895</u>	<u>37,323</u>
		<u>1,180,883</u>	<u>1,227,087</u>
Mortgage Guarantee Fund	15	<u>1,968</u>	<u>1,780</u>

On Behalf of the Board:


Director


Director

ONTARIO LAND CORPORATION

Statement of Earnings
For the Year Ended March 31, 1983

	<u>Notes</u>	<u>1983</u> (\$'000)	<u>1982</u> (\$'000)
REVENUES			
Real Estate Marketing and Operations			
Sales of Land and Properties		33,847	52,770
Rental Income from Land Leased to Homeowners		2,969	3,080
Deferred Revenue Realized		<u>1,442</u>	<u>2,360</u>
		38,258	58,210
Interest on Mortgages and Loans		62,812	59,380
Bank and Other Interest		13,035	14,254
Administration Fees and Miscellaneous Income		<u>1,387</u>	<u>2,400</u>
		<u>115,492</u>	<u>134,244</u>
EXPENSES			
Cost of Land and Properties Sold		30,451	49,403
Interest	13	67,488	68,701
General and Administrative	14	<u>981</u>	<u>3,366</u>
		<u>98,920</u>	<u>121,470</u>
NET EARNINGS FOR THE YEAR		<u><u>16,572</u></u>	<u><u>12,774</u></u>

Statement of Retained Earnings
For the Year Ended March 31, 1983

	<u>1983</u> (\$'000)	<u>1982</u> (\$'000)
Retained Earnings, Beginning of Year	37,323	24,549
Net Earnings for the Year	<u>16,572</u>	<u>12,774</u>
Retained Earnings, End of Year	<u><u>53,895</u></u>	<u><u>37,323</u></u>

ONTARIO LAND CORPORATION

Notes to Financial Statements
March 31, 1983

1. General

Ontario Land Corporation (OLC) was incorporated in 1975 as a Crown Corporation without share capital under the Ontario Land Corporation Act.

By Order-in-Council effective April 1, 1982, all the assets, liabilities, and retained earnings of Ontario Mortgage Corporation (OMC) were transferred to OLC. In addition, all the outstanding capital stock of OMC was assigned to OLC.

The transfer was accounted for by the pooling of interests method. At March 31, 1982, the assets and liabilities of each corporation, net of inter-company accounts, were:

	OLC (\$'000)	OMC (\$'000)	Total (\$'000)
Assets	665,371	561,716	1,227,087
Liabilities	638,833	550,931	1,189,764
Retained Earnings	24,678	12,645	37,323
	663,511	563,576	1,227,087

OLC now manages approximately 27,000 hectares of land which were acquired for land banking and development purposes, and some 30,000 mortgages and 6,000 land leases issued under various housing programs. OLC is a partner with Canada Mortgage and Housing Corporation (CMHC) in certain land and mortgage programs, and earns administration fees for managing CMHC's interest in these programs. The Corporation is also a partner with various municipalities in certain mortgage programs.

2. Summary of Significant Accounting Policies

(a) Financial Statement Basis

The financial statements are prepared on the historical cost basis.

(b) Principles of Consolidation

The financial statements include the Corporation's proportionate ownership share of the individual assets, liabilities, revenues and expenses of partnerships.

2. Summary of Significant Accounting Policies (Cont'd)

(c) Land

Land inventory is recorded at cost, which includes acquisition cost, planning and development costs where applicable, and capitalized carrying costs. Revenue from rental of undeveloped land is applied to reduce the carrying costs.

Land leased to homeowners is recorded as above, except that capitalization of carrying costs ceased on the date the land was leased to the homeowner. Revenues received from these leases are recorded as earnings.

Land is valued at cost. The net realizable value is conditional upon the ultimate use which has yet to be determined.

(d) Capitalization of Carrying Costs

The Corporation capitalizes direct carrying costs such as interest and grants-in-lieu of taxes as part of the cost of land inventory.

Interest on wholly-owned lands is capitalized as follows:

- (i) Interest on the acquisition cost element is not capitalized.
- (ii) Interest on the development cost element is capitalized at the rate paid on long-term debt due to the Treasurer of Ontario.

Interest on partnership lands is capitalized on both the acquisition and development cost elements at the rate set by CMHC, the Corporation's partner in the ventures.

(e) Properties

Properties consist of properties acquired upon default of mortgage loans. These are carried at the unpaid loan balance plus interest accrued to date of acquisition together with acquisition costs, improvement costs, and operating costs net of rent received, less an allowance for losses. Capital losses resulting from sales prices below acquisition cost are charged against the allowance. No depreciation is charged on these properties.

Prior to the merger, OMC expensed improvement and net operating costs as incurred. The change in policy with respect to the former OMC assets has had no material effect on the net earnings of the Corporation.

2. Summary of Significant Accounting Policies (Cont'd)

(f) Mortgages and Loans

Mortgages and loans are carried at the amount due including interest, property taxes, and other charges, less an allowance for mortgage losses.

(g) Securities

Securities are stated at cost plus accrued interest.

(h) Income Recognition

(i) Income from sale of property is recognized when title passes to the purchaser.

(ii) In previous years the Corporation sold individual lots and took back non-interest bearing deferred mortgages as part of the sales proceeds. A portion of the gain on each sale, equal to the amount of such mortgage, was deferred. These deferred gains are taken into income at the point where mortgage repayment commences.

3. Land Inventory

Land is classified as follows:

	1983		1982
	--(Corporation's Proportionate Share)--		
	Hectares	\$'000	\$'000
Land under development	169	31,393	32,756
Land held for development or sale	<u>25,845</u>	<u>456,301</u>	<u>458,989</u>
	<u>26,014</u>	<u>487,694</u>	<u>491,745</u>

4. Land Leased to Homeowners

Land leased to homeowners represents the Corporation's interest in 6,119 lots on which homes have been built (1982 - 6,192). A lessee may, at his option, purchase and acquire title to the land.

5. Properties

Properties consist of 351 properties acquired on default of mortgage loans (1982 - 682).

6. Real Estate

Real estate transactions during the year were:

	<u>Land Inventory</u>	<u>Land Leased to Homeowners</u>	<u>Properties</u>	<u>Total</u>
	-----(\$'000)-----			
Balance, March 31, 1982	491,745	35,883	23,703	551,331
Acquisitions	3,447	-	2,708	6,155
Development costs	7,772	-	-	7,772
Capitalized interest	3,585	-	-	3,585
Capitalized net operating costs	(474)	-	2,783	2,309
Recoveries	(5,896)	-	-	(5,896)
Cost of sales	<u>(12,485)</u>	<u>(364)</u>	<u>(17,602)</u>	<u>(30,451)</u>
Balance, March 31, 1983	<u>487,694</u>	<u>35,519</u>	<u>11,592</u>	<u>534,805</u>

7. Mortgages and Loans

Details of mortgages and loans receivable are as follows:

	<u>1983</u>	<u>1982</u>
	(\$'000)	(\$'000)
Residential mortgages and agreements for sale		
Insured under the National Housing Act	68,913	75,770
Uninsured (net of 1.5% allowance)	<u>489,426</u>	<u>507,328</u>
Total residential (average interest rate		
10.04%, 1982 - 10.31%)	558,339	583,098
Deferred non-interest bearing mortgages	28,395	29,959
Builders mortgages	13,097	11,453
Municipalities and other	9,191	5,855
Ontario Development Corporation	451	666
	<u>609,473</u>	<u>631,031</u>
Less: Deferred gains re: deferred non-		
interest bearing mortgages	<u>28,395</u>	<u>29,959</u>
	<u>581,078</u>	<u>601,072</u>

8. Cash and Short-term Investments

Included in this category are short-term investments in bank and government securities amounting to \$31,965,000 (1982 - Nil).

9. Securities

The market value of the securities is \$7,218,000 (1982 - \$5,468,000).

10. Long-term Debt - Treasurer of Ontario

The Treasurer of Ontario has provided financing for the acquisition and development of land and for the financing of mortgages and loans. This financing is repayable as funds are recovered from the realization of the related assets.

Details of this financing are as follows:

	Average Interest Rate (%)	1983 (\$'000)	1982 (\$'000)
Interest bearing	9.21	613,062	665,680
Non-interest bearing		393,961	397,293
Non-interest bearing to March 31, 1985		4,724	4,764
		<u>1,011,747</u>	<u>1,067,737</u>

11. Long-term Debt - CMHC

(a) Debt due to CMHC is repayable under two debentures due December 31, 2001 as follows:

	Interest Rate (%)	Blended Quarterly Instalment (\$'000)	Balance	
			1983 (\$'000)	1982 (\$'000)
NHA Section 40	7.10	865	36,087	39,231
NHA Section 42	9.84	<u>2,071</u>	<u>71,470</u>	<u>72,728</u>
		<u>2,936</u>	<u>107,557</u>	<u>111,959</u>

Principal repayments of the above are due as follows:

	(\$'000)
Year Ending March 31, 1984	2,329
1985	2,536
1986	2,763
1987	3,011
1988	3,281
Subsequent to 1988	<u>93,637</u>
	<u>107,557</u>

11. Long-term Debt - CMHC (Cont'd)

(b) As part of the repayment plan for the CMHC debentures, a debt retirement fund was established in December 1981. As at balance sheet date, the fund consists of \$32,667,000 in cash and short-term investments (1982 - \$33,082,000) and \$60,203,000 in residential mortgages (1982 - \$61,101,000). These items are not segregated in the balance sheet, but are included under the appropriate classification.

12. Long-term Debt - Other

This debt of \$319,000 is repayable on January 1, 1984 and bears interest at 6 7/8%.

13. Interest

Interest incurred, capitalized, and expensed during the year was:

	1983 (\$'000)	1982 (\$'000)
Treasurer of Ontario	61,128	62,152
CMHC	9,904	9,971
Other	41	86
	<u>71,073</u>	<u>72,209</u>
Capitalized to land inventory	(3,585)	(3,508)
	<u>67,488</u>	<u>68,701</u>

14. General and Administrative

Salaries, benefits, and administration expenses are absorbed by the Ministry of Municipal Affairs and Housing. Ontario Mortgage Corporation carried its own expenses in the year ended March 31, 1982.

A breakdown of general and administrative expense is as follows:

	1983 (\$'000)	1982 (\$'000)
OMC salaries, benefits and administration	-	3,106
Provision for losses on mortgages	925	230
Other	<u>56</u>	<u>30</u>
	<u>981</u>	<u>3,366</u>

15. Mortgage Guarantee Fund

The Corporation maintains a Mortgage Guarantee Fund to satisfy any liability arising out of guarantees given for mortgages provided by private sector lenders.

The Corporation's maximum liability is the amount of the Fund, which was created by a fee charged to borrowers. The Province of Ontario is responsible for any claims in excess of the Fund.

Details of the Fund are:

	<u>1983</u> <u>(\$'000)</u>	<u>1982</u> <u>(\$'000)</u>
(i) Fund Continuity from Inception		
Fee revenue	828	828
Interest income	<u>1,135</u>	<u>947</u>
	1,963	1,775
Net gain on guarantee operations	<u>5</u>	<u>5</u>
	<u>1,968</u>	<u>1,780</u>
(ii) Fund Assets		
Cash	255	57
Securities (note 2(g))(market value \$593,000; 1982 - \$446,000)	807	807
Mortgages receivable	847	907
Due from Ontario Land Corporation	<u>59</u>	<u>9</u>
	<u>1,968</u>	<u>1,780</u>

16. Administered Programs

In its capacity as an agent of the Province, the Corporation administers both the Ontario Rental Construction Loan Program (ORCL) and the Ontario Renter-Buy Program (ORB). Both programs consist of the advancing of funds and the taking back of non-interest bearing mortgages subject to specified conditions.

Advances under these programs are recorded by the Province as transfer payments and memorandum accounts receivable in the public accounts. The Corporation does not include these amounts in the balance sheet. All recoveries will be deposited into the Consolidated Revenue Fund of the Province.

As at March 31, 1983, \$61 million has been advanced under the ORCL program (1982 - \$21 million) and \$62 million has been advanced under the ORB program (1982 - Nil).

17. Ombudsman's Report - North Pickering Land Assembly

Under the terms of the Ombudsman's Report of December 1982, the Corporation has agreed to settle with certain claimants with respect to land purchases for the North Pickering Land Assembly prior to February 4, 1974.

The cost of this settlement, approximately \$2.7 million including interest, is being treated as a land acquisition cost, and has been funded by a non-interest bearing loan from the Treasurer.

18. Contingent Liabilities

Certain persons, whose land was expropriated by the Corporation, may apply to the Land Compensation Board of Ontario for reassessment of the compensation paid upon expropriation. Additional compensation that may be awarded is to be determined by arbitration and negotiation, and is estimated at a maximum of \$3.9 million.

During the year the Corporation paid settlements of \$0.4 million. This amount has been treated as a land acquisition cost, as will any future payments under this category.

19. Comparative Figures

Comparative figures have been reclassified to conform with the March 31, 1983 presentation.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965-1381

To the Board of Directors of the Ontario Land Corporation and to the Minister of Municipal Affairs and Housing:

I have examined the balance sheet of the Ontario Land Corporation as at March 31, 1983 and the statements of earnings and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1983 and the results of its operations for the year then ended in accordance with the accounting policies described in note 2 to the financial statements, applied on a basis consistent with that of the preceding year.

In accordance with section 29 of the Ontario Land Corporation Act, a report on the audit has been made to the Corporation and to the Minister.

J.F. Otterman

J.F. Otterman, C.A.
Assistant Provincial Auditor

Toronto, Ontario
August 8, 1983



CORPORATE RESOURCES MANAGEMENT

In June, 1982, the newly formed Corporate Resources Management group took on the task of streamlining the central services area of the ministry. To facilitate this, it assumed responsibility for the former finance and administration division, legal services branch and part of the policy and program development secretariat.

The management planning and evaluation branch, which had previously been in the policy and program development secretariat, was reorganized with three components: corporate policy; resource allocation and cabinet liaison; and planning and statistical analyses. To reflect its new responsibilities, it was renamed the corporate planning and evaluation branch.

The former management systems supply and services branches were combined to become the management services branch.

Early in 1983 the building code branch, formerly with the Ministry of Consumer and Commercial Relations, was transferred to corporate resources management to help streamline the government's services to the building industry and consumers. The branch will be involved in an overall effort to simplify the regulatory process as it affects building construction and renovation in the province.

Corporate Resources Management includes:

- corporate planning and evaluation
- financial services
- human resources
- management services
- legal services
- the building code
- Office of the corporate secretary

CORPORATE PLANNING AND EVALUATION.

- manages resource allocation process
- assists in establishment of program priorities
- plans, co-ordinates and processes cabinet and cabinet committee communications
- develops and implements integrated management processes
- conducts surveys and collects statistical information
- provides corporate policy advice
- ensures effective co-ordination and development of responses to pertinent issues.

Resource allocation and cabinet

liaison. This section manages the ministry's financial resource allocation and estimates processes and ensures effective liaison and communication with cabinet and cabinet committees. This involves developing resource allocation strategies based on ministry policy and program priorities, co-ordinating the annual estimates process and responding in an appropriate manner to in-year decisions requiring adjustment of budget allocations.

This section also co-ordinates the planning, scheduling and processing of ministry submissions to cabinet and cabinet committees. It provides advice and assistance to senior management regarding submission content, distributes policy submissions initiated by other ministries and communicates cabinet decisions and directives to affected program managers.

Management planning and statistical

analysis. This section ensures that a comprehensive management planning and evaluation process is in place so that financial and human resources can be allocated and utilized in the most efficient and effective manner. Specifically, it co-ordinates the strategic planning process, advises and assists program managers in the design and development of management control processes and prepares

all the information related to managing-by-results for the ministry's annual estimates submission. This year it initiated the development of an integrated management process which will streamline management processes.

The section also provides statistical and survey expertise and assembles information on program performance and other relevant statistics for senior management. In addition it is the contact point between the ministry and the management standards project at management board.

During the year, major projects included:

- a rental housing market survey conducted in seven cities to determine rent levels, rent changes and rent-to-income ratios;
- a housing ownership survey to determine gross debt service ratios of homeowners;
- a survey of participants in the Ontario youth employment program (employers and employees) to determine the effectiveness of the program and its job-creation impact.

Corporate policy. This group deals with policy issues that either affect several areas of the ministry or are not the specific responsibility of other branches.

In the past year, projects included preparation of background material on rental and ownership housing, demographic analysis and reports on housing market outlook.

The section also acts on a consulting basis in response to requests from other areas of the ministry. Two such examples in the year under review were the evaluation of federal proposals for the indexing of mortgages, and assistance in developing the career development options program.

Other activities include briefing the minister and deputy minister for cabinet committee, and co-ordinating the ministry's regulatory reform activities and the housing energy management program (HEMP).

FINANCIAL SERVICES.

- co-ordinates and control financial management for the ministry, its two crown corporations and 61 local housing authorities
- ensures adequate systems and policies for budgeting, accounting and financial reporting
- in controllership role
 - provides financial policy direction to the ministry
 - establishes procedures for management of crown agency and ministry cash flows and banking arrangements.

The branch successfully completed a major deregulation of Ontario Land Corporation and Canada Mortgage and Housing Corporation (CMHC) contractual arrangements. Revisions to Ontario Housing Corporation programs were initiated taking into account partnership and debenture financing arrangements with CMHC. The purpose was to institute daily reimbursement of federal funds which will have the effect of freeing approximately \$20 million of provincial capital previously required to finance federal contributions.

In addition, agreement was reached between OHC and CMHC to consolidate approximately 1,300 debt instruments into approximately 20 groups based on year of original construction. The deregulation will considerably reduce the volume of reporting and reconciliation which currently takes place between the two corporations. All details have been finalized and implementation will take place commencing Jan. 1, 1984.

Considerable progress was made in the decentralization of the budgetary process of Ontario Housing Corporation to the housing authority level. A pilot project involving the Metro Toronto Housing Authority which was initiated in 1982 resulted in the 1983 budget being successfully completed on a decentralized basis.

Co-operation between Ontario and British Columbia resulted in

recommendations to CMHC for alternate methods of reviewing administrative overhead expenses. This will ultimately result in the removal of the 6% and 3% overhead limitation guidelines imposed by the federal government.

Planning, budgeting and disbursement processing procedures along with financial reporting were extended during the fiscal period to include the municipal affairs wing, using existing manpower resources.

HUMAN RESOURCES.

Personnel services. This section assisted management in the day-to-day administration of recruitment, job evaluation, classification and employee relations functions. This included completing the personnel administration aspects of a major ministry reorganization with minimum disruption to programs and staff responsible for their delivery. The section has also been successful in assisting staff who have been declared surplus to find alternate employment.

Manpower planning and staff development. This section has taken on a number of new initiatives in addition to existing management development programs. The section has worked closely with many ministry branches and the Metro Toronto Housing Authority to develop specific training programs. These include long-range plans to meet identified branch training needs and involve employees in the co-ordination of these programs.

The section has developed, with the personnel services section, the human resources management skills program. This program encourages managers to acquire skills and knowledge in selection and interviewing, managing employees with work performance problems, handling grievances, applying the job analysis and classification process and understanding working conditions in the Ontario public service.

It is also managing a pilot project which provides ministry civil servants

with career development opportunities. Through the career development options program, the ministry assists employees' occupational development as well as generating internal mobility.

Staff relations. As a result of Ontario's inflation restraint program it has been necessary to amend current collective agreements with the Canadian Union of Public Employees (CUPE) and the Ontario Public Service Employees' Union (OPSEU) to reflect a maximum of 3 per cent for wage and benefits increases in calendar year 1983.

The section undertook the tendering of the long-term disability benefit applicable to crown employees in the local housing authorities. Prudential Insurance Company of America was retained as the carrier with revised underwriting provisions.

Payroll and records. This section produced bi-weekly paycheques for ministry staff. In addition to maintaining pay and benefits data on all employees, it produced a variety of management information reports including staff attendance, turnover and vacancies.

The section continued to administer the payroll system used by the 61 local housing authorities and provided staff with payroll instructions and training.

MANAGEMENT SERVICES.

- provides administrative services to the ministry and its crown corporations in computer and information systems support
- procures goods and services
- provides accommodation and services and maintains the ministry's central library.

Several initiatives were undertaken by the branch in an effort to examine its procedures and streamline operations to more closely reflect the requirements and desires of the operating areas of the ministry. Priority was given to decentralizing computer facilities and functions to users throughout the ministry.

most all data entry previously handled centrally has been distributed to the client area. Staff in the client area have been retrained and now provide a technical support service. New computer system developments will use state-of-the-art data management technology which will allow end users with minimal computer skills to interact directly with their system.

An information centre service was introduced. Made up of a small group of professional staff, it provides training and support for ministry staff who want to undertake data processing independently. Clients are using software packages for data retrieval, financial modelling, statistical analysis and administration. Additional product support for computer graphics and microcomputers will be offered in the near future.

A ministry-wide review of information systems requirements was undertaken by the firm of Price Waterhouse Associates. The review resulted in a long-term plan for the ministry's information systems. A number of feasibility studies on new technology have identified other opportunities for the use of word processing equipment. Consequently, several additional word processing systems have been installed in the ministry.

The word processing centres continued to support an increasing number of program delivery areas. Forms analysis, file system design manuals continued to support the ministry's administrative and operational functions.

During the 1982/83 fiscal year, the library continued to support the government's freedom of information initiative and other reference services to the public. This service has been enhanced by the installation of a computer terminal for accessing commercially available data bases.

The acquisition of accommodation and related services for the visiting authorities continued, as did support for head office needs. Procurement of goods and services and the timely payment of

vendors' invoices were maintained at a high standard.

LEGAL SERVICES.

— provides legal services to the ministry and its crown corporations in such areas as municipal affairs, community planning, land development, conveyancing and mortgages, corporate and commercial law, landlord and tenant matters, and contracts.

This branch includes lawyers and support staff seconded from the Ministry of the Attorney General.

During the year, general counsel and solicitors for each of the ministry's program areas were relocated closer to their clients.

BUILDING CODE BRANCH.

- provides professional and technical advice on the Building Code Act and the Building Code;
- provides professional and technical advice on parts of the Water Resources Act and plumbing regulations made under the act;
- reviews regularly building and plumbing regulations to keep them current with technological advances through consultation with client groups;
- prepares a newsletter containing opinions, views and information about the code and related matters;
- advises on code compliance in territory without municipal organization and inspects construction on a selective basis;
- provides secretarial services and professional advice to the Building Code and Building Materials Evaluation commissions.

The building code branch was transferred to the Ministry of Municipal Affairs and Housing from the Ministry of Consumer and Commercial Relations February 1, 1983.

The branch regulates the construction of new buildings and substantial alterations to existing buildings. These regulations are enforced at the municipal level. The Building Code Act requires municipal-

ities to appoint chief building officials to carry out enforcement and to issue permits for construction or demolition of buildings.

Over the past year, the branch has been involved in a number of projects which will be concluded in the coming year. These include amendments to the Building Code Act and the Building Code, the development of a Plumbing Code and research into matters relating to air quality, energy conservation, hazardous building products, accessibility for the handicapped and fire safety in highrise buildings.

The Building Code Commission, with 13 members, conducts hearings and renders decisions on disputes between a building permit holder and a building official as to the intent of the technical requirements of the code and/or the sufficiency of compliance to those requirements.

In the past year, 131 applications for hearings were made. Of these, 95 were resolved informally and 19 formal hearings were held.

The Building Materials Evaluation Commission, with 18 members, examines and conducts research into the use of innovative building materials, techniques or building designs which are not covered in the Ontario Building Code. The commission may authorize the use of these materials and designs in respect of any specified building.

In the past year, 21 applications were received and completed.

OFFICE OF THE CORPORATE SECRETARY.

- provides staff and administrative support to ministry committees and the boards of directors of Ontario Housing Corporation and Ontario Land Corporation
- is involved in the public tendering process.

This office is responsible for arrangements for the functions associated with board and committee meetings. This includes agenda preparation and recording of minutes.

The introduction of electronic typewriters has accelerated the turn-

around time for minutes and this increased efficiency has been a contributing factor in the reduction of overall complement from nine to seven people. It has also prompted considerable flexibility within the branch to better accommodate the needs of client groups. 256 meetings were handled during the year.

A total of 149 tenders during the year resulted in 631 bids. Securities of negotiable nature, held in custody at March 31, 1983, had a total value of \$1,994,126.

The Affirmative Action Program's short and long-term goal is to ensure equal opportunity for women employees. The objective is a 30% female representation by the year 1990. The program staff assist in achieving the objective by identifying career paths and potentially qualified candidates for competitions.

As of March, 1983, the 613 female employees represented 53.3% of the ministry, an increase of less than one-half percentage point over a year ago.

Although the female percentage distribution varied slightly in a number of areas during fiscal year 1982/83, there was an overall decrease of 12.9%. The percentage distribution in the administrative module increased 3.5% to 33.2%; clerical services 100% to 100%; administrative services 1.6% to 36.6%; technical services .5% to 79.5%; office services .1% to 35.7%; scientific and professional services 5.8% to 35.7%; technical services 1.3% to 28.6%. There were increases in the professional module of .7% to 21.0% and in operational services of 33.3% to 0.

Accelerated career development initiatives resulted in 188, or 14.4% of ministry women. Females were promoted for 32 on-the-job training positions, 12 job openings, 26 secondments, one full-time sponsorship of development and 17 acting placements.

Through the incentive fund, one employee was promoted for a 9½ month secondment which will lead to promotion in systems services. Seven out of 17 promotion targets were achieved. Competitions were not held in eight of the target areas and females were not the most qualified candidates in the remainder.

Average ministry salaries for males and females increased 1% over the last year. In March, 1983, the average male salary was \$33,981 up from \$33,506 the previous year; the average female salary was \$22,512 up from \$21,903.

Ninety women's advisory committee members from the ministry and larger housing authorities met in

AFFIRMATIVE ACTION PROGRAM

Toronto twice last year. They act as liaison between the program office and women in the workplace. In addition to the general meeting, a central meeting was planned, organized and run by the central core committee, a volunteer group of committee representatives.

The publications committee, also a volunteer group, published three newsletters last year. Subsidies branch affirmative action committee held several noon-hour sessions on subjects such as sexual harassment and stress management. A two-day regional meeting for all staff was held in Windsor.

Policy and procedures concerning personal harassment were finalized and approved by senior management. The deputy minister sent copies of the new policy to all employees.

Affirmative Action Program manager and staff met with branch directors and senior management to discuss results of the 81/82 MBR, and the plan, issues and concerns for 82/83.

During 82/83 the ministry met its 30% objectives in 11 classifications, primarily in middle management: general administration (AM-17) — 38.46%; personnel administration (AM-19) — 50%; personnel administration (AM-20) — 100%; systems services (AM-19) — 33.33%; resources planning and management — 50%; finance officer 3 — 33.33%; real estate officer 2 — 50%; clerk 2 mail — 37.50%; data processing technician 4 — 100%; economist 1 — 100%; and designer 2 — 50%. At year end, two positions in underrepresented areas (personnel 17 and general administration 17) are being filled on an acting basis.

Affirmative action staff gave career and personal counselling to some 33 women and provided another 44 employment contacts in this and other Ontario government ministries.

Program staff give on-going support to regional offices and managers to ensure the needs of all its client groups are met and equal opportunity is encouraged in the workplace.

During the past year, ministry staff continued to increase services in French. In almost every case of program development and communication strategy, the provision of service in French has been an integral part of the planning process from the beginning.

A significant achievement has been the adoption of an amendment to the Municipal Act which now permits municipalities to conduct their proceedings, pass by-laws and resolutions, and adopt official plans in both English and French. The amendment received royal assent Nov. 18, 1982.

FRENCH LANGUAGE SERVICES

A steadily growing number of municipalities participated in the ministry's program of financial assistance from municipal French-language services.

All advertisements and news releases involving Ontario's designated areas were routinely sent out in French. Information kits, brochures, and background material and all major programs and legislation were also made available in both languages.



Ontario

Ministry of
Municipal Affairs
and Housing



756



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Ontario

Annual Report 1983/1984



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and Housing

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THE HONOURABLE
JOHN B. AIRD, O.C., Q.C., L.L.D.
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the
Legislative Assembly, I have the privilege
of presenting the Annual Reports of the Ministry
of Municipal Affairs and Housing and Ontario Land
Corporation for the fiscal year ending March 31,
1984 and the Annual Report of Ontario Housing
Corporation for the calendar year 1983.

Respectfully submitted

A handwritten signature in black ink, reading "Claude F. Bennett".

CLAUDE F. BENNETT
Minister



Office of the
Deputy Minister

Bureau du
Sous-ministre

Ministry of
Municipal Affairs
and Housing

Ministère des
Affaires municipales
et du Logement

777 Bay Street
Toronto, Ontario
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416/585-7100

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

I have the honour to submit for your approval
the 1983/84 Annual Report of the Ministry of
Municipal Affairs and Housing.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Ward Cornell".

Ward Cornell
Deputy Minister

COMMUNITY HOUSING

The mandate of the *Community Housing Wing* is to help meet the needs of low-and moderate-income families, senior citizens, and disabled persons through a variety of housing programs. It is also responsible for the development of housing policies and federal-provincial relations with respect to government-assisted housing.

The *Community Housing Wing* is organized into the following areas:

- Corporate Planning Section
- Housing Renovation and Energy Conservation Unit
- Housing Programs Division
- Technical Services Division.

During the year under review, the wing was being reorganized. The purpose was to amalgamate some of the responsibilities of *Community Housing* with those of *Ontario Housing Corporation*. A committee consisting of *Community Housing* and *Corporation* staff was formed at the end of the year under review to implement the reorganization plan.

Corporate Planning Section

This section develops and coordinates managing by results abstracts, analyses and reviews financial planning activities, and prepares corporate and strategic plans for the wing and *Ontario Housing Corporation*.

Housing Renovation and Energy Conservation (HREC) Unit

The major objective of the *HREC Unit* is to facilitate effective housing renewal and associated energy-conserving measures. Broadly, the activities of the unit fall into the following categories:

- Establishing liaison between the ministry and major client groups involved in housing renovation and energy conservation.
- Developing resources to aid the rehabilitation activities of municipalities and the private sector.

- Carrying out research into a broad range of renovation and conservation related subjects.
- Assembling, disseminating and updating information on trends and activities in the fields of renovation and energy conservation.

Based on the findings of a major joint study by the ministry and the Association of Municipalities of Ontario, the unit launched two research projects aimed at making better use of our existing housing stock and urban infrastructure.

The 'Add-A-Unit' project is designed to document impediments to housing conversion and demonstrate potential new approaches. Similarly, the 'Conserve-A-Unit' project will demonstrate the potential benefits of conserving smaller, older apartment buildings.

In collaboration with industry and provincial and municipal government representatives, the unit co-ordinated the development of residential renovation guidelines for inclusion in the *Ontario Building Code*.

The purpose is to provide the flexibility to permit effective renovation measures in older residential buildings while retaining the health and safety standards of the code. A booklet describing the new provisions has been prepared by the unit and widely distributed to municipal and industry contacts.

A comprehensive set of booklets and fact sheets giving homeowners information on energy conservation was completed. Two new booklets were added to the series in 1983 and work began on new material aimed specifically at renovation.

The *Home Conservation Centre* is a travelling exhibit which the unit staffs throughout the year. The exhibit was featured at 21 shows and exhibitions ranging from the *Canadian National Exhibition* to local shopping malls. In terms of advice given or literature distributed, contact was made with an estimated 170,000 people.

'Howland House', a demonstration house renovated and opened to the public in collaboration with the *City of Toronto*, was open year round. As well, 20 workshops and seminars were held at *Howland House* during the year and 30,000

booklets or fact sheets distributed.

During the year under review, *Technical Services Division's* Research and Development Section was absorbed into the *HREC Unit*.

HOUSING PROGRAMS DIVISION.

The *Housing Programs Division* consists of two sections: the *Housing Policy and Program Development Branch*, focusing on policy development, and the *Housing Field Operations Branch*, responsible for program delivery.

Housing Policy and Program Development Branch.

The branch formulates policy options for senior staff and the minister concerning rental and ownership housing, in the public and private sectors.

Appropriate program responses, including operating policies and procedures, are then developed. The users for these are both internal, such as the *Ontario Mortgage Corporation* and the *Housing Field Operations Branch*, and external, such as *Municipal Non-Profit Housing Corporations*.

During the year, the branch developed the *Convert-to-Rent Program*.

Operating policies and procedures involving the *Rural Housing Program*, *Municipal Non-Profit*, *Ontario Community Housing Assistance* and *Rent Supplement Programs* were amended and a new development manual for the *Municipal Non-Profit Program* was completed and distributed.

Housing Field Operations Branch.

Under the *Municipal Non-Profit Housing Program*, the province committed a total of 1,166 units: 962 for families and 204 for senior citizens. Demand for municipal non-profit projects exceeded the unit allocations by a considerable degree.

A total of \$500,000 was disbursed to four municipal non-

profit housing corporations under the Federal Community Services Contribution Program, while \$1.2 million in provincial incentive loans and grants were distributed among 35 communities becoming involved in the non-profit housing program for the first time.

Through the Municipal Housing Statement Program, \$309,000 were provided in order to complete 29 municipal housing statements. In addition, direct technical assistance was made available to 74 municipalities during 1983-84.

Agreements were signed for the use of 440 units in 28 municipalities under the Rent Supplement Program during the year. Of these, 26 units were in projects which

received Ontario Rental Construction Loan Program assistance. A total of 352 units was taken under the federal Canada Rental Supply Plan.

During 1983-84 an additional 612 units were committed under the Ontario Community Housing Assistance Program (OCHAP). Under this program, the province provided financial assistance to tenants in 29 non-profit and co-operative projects in 14 municipalities. The total OCHAP assistance for 1983-84 amounted to \$2.1 million.

The ministry's mortgage committee certified a total of 45 loans for 1,210 units. Following is a summary by program:

Program	Units		Amount (\$)
	Families	Seniors	
Municipal Assisted		44	2,283,375
Municipal Non-profit	962	204	65,592,721
	962	248	67,876,096

A total of 185 family units in 78 municipalities and 20 senior citizen units in municipalities with populations less than 2,500 was approved under the federal-provincial Rural Housing Program.

Under the Ontario Rental Construction Grant Program, \$3.6 million were made available to builders. In total 12,571 rental units in 17 municipalities were provided with grants to help bridge the gap between market and economic rents. Another \$6.3 million were provided to non-profit groups through monthly rent reduction grants covering approximately 17,000 units in 190 municipalities. Of this, approximately \$3.7 million went to municipal non-profit projects. In addition, approximately \$3,000 went to assist families under the provincial component of the federal-provincial AHOP/HOME program.

Under the Convert-to-Rent Program, \$77,000 were made available for the conversion of non-residential properties in the production of rental housing units.

Homeowners in unorganized communities received 26 Ontario Home Renewal Program loans totalling \$95,000 during the year. Since the program's inception, more than \$5.3 million in loans have been approved for the 1,228 applicants

from unorganized communities. In addition, municipalities provided 2,488 loans to homeowners for repairs under the Home Renewal Program.

TECHNICAL SERVICES DIVISION.

The Technical Services Division provides professional appraisal, architectural, landscape architectural, and engineering design and construction inspection services for all of the ministry's housing programs.

These services are as follows:

Chief Appraiser's Branch.

The duties of the branch are to carry out the valuation of buildings and land projects submitted for any purpose under all programs by or to the ministry or its associated crown corporations and to certify lending values for NHA insurance of private-lender mortgages. The Chief Appraiser's Branch processed:

- 58 proposals under the Municipal Non-Profit Housing Program, Section 56.1(a), consisting of 1,854 family housing units and 1,542 senior citizen units, with an approximate value of \$154,380,000.

- Two projects for senior citizen housing under Section 40, Housing, with an approximate value of \$1,840,000.
- 45 Convert-to-Rent projects appraised and reviewed.
- 40 applications for Rent Supplement Program purposes reviewed; 48 foreclosure appraisals and lot values for leasing were conducted in 2 locations.

The branch also carried out various appraisal assignments for the ministry's crown corporations including 93 rent reviews and budget reviews; 32 market research surveys; six assessment appraisals resulting in a saving on assessed value of approximately \$1,390,000 and nine land appraisals for Crown Mortgage Corporation.

Chief Architect's Branch.

The Chief Architect's Branch developed and administered all site development, planning, architectural, and landscape design standards and co-ordinated engineering and construction standards for all ministry housing programs. In 1983-84 the branch produced:

Modified tender call documents for one OHC project	— 20 units : value \$ 1.0 M
Technical reviews for:	
1 OHC project	— 20 units : value \$ 1.0 M
1 Private Assisted Rental project	— 44 units : value \$ 2.2 M
2 Municipal Assisted Rental projects	— 168 units : value \$ 8.4 M
23 Municipal Non-Profit projects	— 2870 units : value \$ 82.2 M
2 Municipal Non-Profit special projects	— 132 units : value \$ 6.6 M
101 Convert-to-Rent projects	— 884 units : value \$ 0.76 M
Field inspections for:	
5 OHC projects	— 110 units : value \$ 5.5 M
1 Private Assisted Rental project	— 44 units : value \$ 2.2 M
2 Provincial Assisted Rental projects	— 63 units : value \$ 3.1 M
2 Municipal Assisted Rental projects	— 168 units : value \$ 8.4 M
50 Municipal Non-Profit projects	— 3068 units : value \$181.8 M
101 Convert-to-Rent projects	— 884 units : value \$ 0.76 M
6 OLC Landscape projects	
Revised standards documents for:	
OHC Senior Citizen High Rise Standards; OHC Senior Citizen Low Rise Standards; OHC Family Housing Standards; Municipal Non-Profit Senior Citizen Housing Guide; and a Municipal Non-Profit Family Housing Guide	

Chief Engineer's Branch.

The Chief Engineer's Branch provides structural, mechanical, electrical, municipal services and geotechnical engineering design consultation services; and construction inspection services for all the ministry's housing programs. In 1983-84 the branch processed:

- Engineering reviews for one Assisted Rental Project of a total value of \$1 million.
- Engineering reviews for 23 Municipal Non-Profit Projects of a total value of \$82.2 million.
- Construction administration and inspection services for two Assisted Rental Projects of a total value of \$1.6 million and two Private Assisted Rental Program Projects of a total value of \$2.8 million.

- Construction inspection services for 50 Municipal Non-Profit Projects of a total value of \$181.8 million.
- Site investigations were made at four site locations.
- Soils investigations were made at three proposed sites.
- Feasibility inspections on 101 proposals were made under the Convert-to-Rent Program.



Office of the
Chairman

Ministry of
Municipal Affairs
and Housing

Ontario
Housing
Corporation

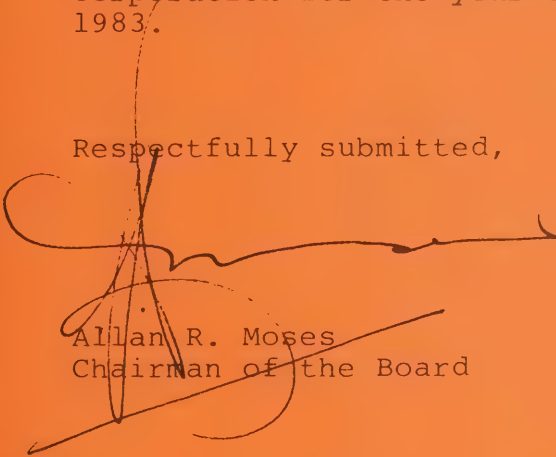
777 Bay Street
Toronto, Ontario
M5G 2E5

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

Sir:

It is my honour, on behalf of the Board of
Directors, to present the Annual Report and
Statement of Accounts of the Ontario Housing
Corporation for the year ending December 31,
1983.

Respectfully submitted,


Allan R. Moses
Chairman of the Board

ONTARIO HOUSING CORPORATION

Board of Directors.

A.R. Moses, chairman
L.F. Pitura, vice-chairman
R.G. Crompton
J.H. Jordan
J.F. Kelleher
J.E. O'Brien
M.A. O'Brien
G.P. Puddicombe
G.R. Stratton
J. Wong
(From April 14, 1983)
J.A. Yaworsky

Report of the Chairman of the Board.

The year under review brought an important and exciting change in the mandate of Ontario Housing Corporation. On December 1, 1983, the corporation's mandate was expanded to include responsibility for all provincial social housing policies and all subsidized housing programs.

This major organizational change will allow the ministry to offer a "one-window" service to all its clients involved in subsidized housing programs.

In future, OHC will be able to provide advice and assistance not only to its 61 local housing authorities, but also to other agencies such as municipal non-profit corporations, private non-profit groups and co-operatives.

I am most enthusiastic about this tremendous new challenge which has been given to Ontario Housing Corporation. I believe the reorganization of OHC will make us more responsive, more efficient and, crucially, more cost-effective in providing the whole range of subsidized housing programs in Ontario.

At this early juncture we are beginning the complicated and sensitive process of shifting staff members and areas of responsibility

into a new, reorganized corporate structure.

The reorganization of such a large and complex organization is a major task, and I have no doubt it will take us some months to adapt to the whole new range of programs and activities which have been added to our current responsibilities in the field of subsidized housing.

However, I am confident that our Board of Directors, along with our very talented and dedicated staff, is prepared to meet this challenge, and we will have in place a reorganized and fully-operational corporate structure by the fall of 1984.

The Board of Directors was strengthened during the year with the appointment in April of Mrs. Irene Wong, of Ottawa, as a director of the corporation. Mrs. Wong is a welcome addition to our board and we are fortunate to be able to draw on her considerable talents in solving the difficult issues which face our members.

At the end of 1983, the corporation had 84,404 housing units made up of 48,258 family housing units and 36,146 senior citizen units. The corporation also had 11,411 units under rent supplement program agreements, for a total portfolio of more than 95,000 units.

OHC is also involved in subsidizing rent-geared-to-income units developed under other housing programs. In 1983, the corporation was providing financial assistance for more than 115,000 units, including those in its own portfolio. As such, the corporation was subsidizing about one in every 10 rental households in the province, and one in every seven rental households in most of our major cities.

The corporation continued during 1983 to strengthen the important dialogue between the Board of Directors and the more than 450 citizens who serve on the 61 housing authorities which manage assisted housing across the province.

During the year, housing authority chairmen attended meetings of the Board of Directors on a rotational basis, and a new

series of periodic meetings was held between branch managers and the Housing Authority chairmen in their areas.

Of particular note, the new Advisory Council of Housing Authority Chairmen, which was formed at the beginning of 1983, proved to be a great success.

The Advisory Council met four times during the year to review major social housing policies and to advise the Board of Directors.

I have the highest regard for the 11 local chairmen who gave their time to serve on this valuable council, and I am very pleased that the Advisory Council will continue its efforts in 1984 under the chairmanship of Armando DeLuca, chairman of the Windsor Housing Authority.

Also during 1983, a new series of workshops for housing authority chairmen and members was held throughout the province. At each of the five workshops, the Board of Directors met with local housing authorities for some very constructive discussion and debate of policies and procedures in social housing. The workshop series proved to be a popular format, and we have decided to continue the process with a series of housing authority workshops in 1984.

In closing, I would like to extend my appreciation to my fellow board members for their continued support, and to our staff, whose dedication and enthusiasm is second to none.

I look forward to a challenging and rewarding year in 1984.

Allan R. Moses
Chairman

ONTARIO HOUSING CORPORATION

Ontario Housing Corporation (OHC) provides rent-geared-to-income housing for families and senior citizens with low and moderate incomes, as well as physically-handicapped and mentally-retarded individuals. Local housing authorities are responsible for managing the rental properties through agreements with the corporation.

OHC acquires the use of accommodation in properties not owned by the corporation, through the Rent Supplement Program.

While OHC has not been heavily involved in direct construction since 1978, some outstanding commitments remain. This year, construction began on 21 units. (Statistics used elsewhere in this report may vary due to differences in fiscal years.)

Two tender calls were issued for a total of 20 senior citizen units.

In 1983 there were two projects taken under administration, for a total of 40 units.

The corporation secured rent supplement units during the year to bring the total at year's end to 11,411. These units provide accommodation for rent-geared-to-income tenants in buildings owned by private landlords and help to integrate low-income tenants into the community.

At year's end, the corporation had the following units in its portfolio:

Family	48,258
Senior citizen	36,146
Total.....	84,404

Tenant placement waiting list as of December 31, 1983:

Family	17,921
Senior citizen	6,081
Total waiting list	
Family and senior citizen	24,002

Housing Operations Branch.

The branch is responsible for ensuring that the province's

portfolio of assisted rental housing is operated efficiently and maintained properly. It does so through the housing authority system which provides a full range of property management services on an agency basis. There are 61 housing authorities serving over 300 communities throughout Ontario.

Six OHC branch offices provide resources and technical assistance to the housing authorities and conduct regular management reviews to ensure compliance with corporation policy and procedures.

The branch offices monitor the expenditure of all funds provided for the operation of the various properties and determine priorities of expenditures across a range of operational requirements. In 1983, the expenditures totalled \$379,166,189, compared with revenues of \$168,329,311.

The numbers and types of units and programs managed are shown elsewhere in this report.

Maintenance Engineering Branch.

The number of tender documents produced for the major rehabilitation and upgrading program increased again this year. As a result of emergency repairs and the capital acceleration program, the branch produced over 700 tender documents, which was 100 more than originally scheduled.

The energy target program got off to a good beginning and all 61 local housing authorities were provided with goals for a total of 787 apartment buildings.

The design work for the 5-year sprinkler upgrading program was completed in most areas during the year.

As well, branch staff, assisted by nine design consultants, had ample lead time for the preparation of work for the 1984 upgrading phase of the fire alarm and emergency systems upgrading program.

The corporation's presentation to the public enquiry into fire safety in high-rise buildings was well-received, and the ensuing

report published in December 1983, contained several favorable references to the corporation's efforts in fire safety.

Operational Planning Branch.

During the year successful workshops in the areas of community relations and ten placement were developed and carried out. The level of participation was high and included housing authority members, housing authority members and Ontario Housing Corporation staff members.

The 1983 summer recreation program was reported as being one of the most successful in recent years.

Participation by branch personnel in community affairs such as United Way and blood clinics was exemplary during year.

Considerable activity was experienced in the extension of computerization into the branch during the year with staff training in that area being recognized as a major requirement.

Budget constraints were recognized and dealt with in an appropriate manner. The vacancy rate for housing authority appointments averaged 6.58% during the year.

During the year the ongoing program in relation to the *Field Manual of Administrative Procedures* drew favorable comments from courts in relation to the quality of direction to field staff especially in the areas of fire and safety regulations.

Reorganization.

The Housing Corporation was reorganized on December 1, 1983. The corporation's mandate was expanded to include responsibility for all provincial social housing policies as well as the delivery of all subsidized programs. The corporation is also responsible for developing and evaluating administrative and operational procedures for social housing programs, in addition to continuing to manage its rental housing through its agents, the local housing authorities.

The Housing Operations Branch, the Maintenance Engineering Branch and the Operational Planning Branch have been reorganized into the Assistant General Manager, Field Operations; the Technical Support Branch; the Program Policy and Evaluation Branch.

The reorganization of departments and staff members is scheduled to be completed by September 1, 1984.

ONTARIO HOUSING CORPORATION
Incorporated without share capital under
the Ontario Housing Corporation Act

Balance Sheet
December 31, 1983

ASSETS	1983 (\$'000's)	1982 (\$'000's)
Investment in properties (note 2)		
Provincial housing	1,256,935	1,273,9
Federal-Provincial housing	16,351	16,4
Student housing on leased land	63,841	64,2
Land leased	2,308	2,3
Projects under development	1,005	1,7
Land inventory	2,174	4,7
	<u>1,342,614</u>	<u>1,363,4</u>
Mortgages and loans (note 3)	20,009	16,4
Other assets	439	4
Operating funds due from the Treasurer of Ontario (note 4)	65,995	53,7
Accounts receivable	<u>1,096</u>	<u>1,1</u>
	<u>1,430,153</u>	<u>1,435,2</u>
LIABILITIES		
Long-term debt (note 5)		
Canada Mortgage and Housing Corporation	1,174,921	1,191,2
Treasurer of Ontario	170,750	167,7
Other	19,934	19,2
	<u>1,365,605</u>	<u>1,378,2</u>
Accounts payable and accrued liabilities (note 6)	62,573	54,6
Bank indebtedness	<u>1,975</u>	<u>2,3</u>
	<u>1,430,153</u>	<u>1,435,2</u>

See accompanying schedule and notes to financial statements.

On behalf of the Board:

 Vice-Chairman

 General Manager

ONTARIO HOUSING CORPORATION

Statement of Operations Year ended December 31, 1983

	1983 (\$000's)	1982 (\$000's)
LOSS ON HOUSING OPERATIONS		
Assisted housing operations		
Rental revenue	<u>171,691</u>	<u>150,081</u>
Expenses		
Property operating expenses	221,953	205,267
Grants in lieu of municipal taxes	65,130	60,384
Amortization (principal repayments and interest)	<u>126,645</u>	<u>113,592</u>
	<u>413,728</u>	<u>379,243</u>
Loss on assisted housing operations (note 7)	242,037	229,162
Loss on rent supplement operations (note 8)	<u>42,834</u>	<u>38,593</u>
	<u>284,871</u>	<u>267,755</u>
Less: Canada Mortgage and Housing Corporation share	<u>145,671</u>	<u>137,700</u>
	<u>139,200</u>	<u>130,055</u>
Provincial contributions to municipal housing projects (note 9)	11,468	10,944
Loss on rural and native housing program (note 10)	<u>2,069</u>	<u>1,232</u>
Loss on housing operations	<u>152,737</u>	<u>142,231</u>
OTHER REVENUE AND EXPENSES		
Interest revenue	(8,120)	(8,932)
Interest expense	6,920	7,988
Administration expenses (Schedule)	<u>739</u>	<u>1,269</u>
Net other (revenue) expenses	<u>(461)</u>	<u>325</u>
NET OPERATING LOSS FOR THE YEAR	<u>152,276</u>	<u>142,556</u>
OPERATING FUNDS PROVIDED BY THE TREASURER OF ONTARIO	<u>152,276</u>	<u>142,556</u>

See accompanying schedule and notes to financial statements.

SCHEDULE

ONTARIO HOUSING CORPORATION

Administration Expenses
Year ended December 31, 1983

	<u>1983</u> (\$000's)	<u>1982</u> (\$000's)
Salaries and benefits	3,164	3,211
General and office expenses	215	251
Administrative support services (note 11)	<u>8,635</u>	<u>9,000</u>
	12,014	12,471
Less: Administration expenses charged to operations	<u>11,275</u>	<u>11,200</u>
	<u>739</u>	<u>1,261</u>

See accompanying notes to financial statements.

ONTARIO HOUSING CORPORATION

Notes to Financial Statements
December 31, 1983

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles with the exception of:

- i) investments in Provincial and Federal-Provincial properties (land and buildings) which are amortized over the terms of the corresponding indebtedness; and
- ii) furniture and equipment purchases which are expensed in the year of acquisition.

(b) Capitalization of costs

Carrying charges for projects under development are capitalized and include interest, administration expenses and grants in lieu of municipal taxes.

(c) Self-Insurance

The Corporation follows the policy of self-insuring its Provincial and Federal-Provincial properties for property damage such as fire, water and vandalism. Costs of such repairs are charged to property operating expenses.

2. INVESTMENT IN PROPERTIES

(a) Provincial housing

This represents land and building costs of wholly-owned properties which are amortized over the terms of the corresponding indebtedness.

	1983 (\$000's)	1982 (\$000's)
Cost	1,317,239	1,316,989
Less: accumulated amortization	<u>60,304</u>	<u>43,024</u>
Net book value	<u>1,256,935</u>	<u>1,273,965</u>

2. INVESTMENT IN PROPERTIES (Cont'd)

(b) Federal-Provincial housing

Federal-Provincial properties are owned and operated on a partnership basis with Canada Mortgage and Housing Corporation. The balance represents the Corporation's share of land and building costs which are amortized over the terms of the corresponding indebtedness.

	1983 (\$000's)	1982 (\$000's)
Cost	19,891	19,748
Less: accumulated amortization	<u>3,540</u>	<u>3,270</u>
Net book value	<u>16,351</u>	<u>16,478</u>

(c) Student housing on leased land

This investment represents building costs to provide student accommodation on land leased from 11 universities and colleges. These costs are being repaid semi-annually to the Corporation by the educational institutions over 50 years. When costs are fully repaid, title to the properties will be transferred to the respective institutions. Rental income and maintenance costs on these properties are absorbed by the institutions.

	1983 (\$000's)	1982 (\$000's)
Cost	67,890	67,890
Less: educational institutions' equity	<u>4,049</u>	<u>3,676</u>
Net book value	<u>63,841</u>	<u>64,214</u>

(d) Land leased

This land, valued at cost, is leased to the City of Toronto Non-Profit Housing Corporation for a period of 15 years expiring in the year 1991 with option to renew thereafter.

(e) Projects under development

This represents the Corporation's share of land and building costs of projects under development pertaining to the Rural and Native Housing program.

The Corporation, under agreement with Canada Mortgage and Housing Corporation (CMHC), provides capital funds for the development and subsequent sale by mortgage of family units in rural areas in the Province of Ontario. CMHC is responsible for administration of this program.

Carrying charges for projects under development were capitalized in the amount of \$0.5 million (1982 - \$0.4 million).

(f) Land inventory

These lands, acquired for development of housing projects and previously valued at cost, are now valued at the lower of cost or estimated market value. A comparison of the estimated market values and book values (cost) has resulted in a write-down of \$2.4 million which is included in property operating expenses in the Statement of Operations.

3. MORTGAGES AND LOANS

	<u>1983</u> (\$000's)	<u>1982</u> (\$000's)
Rural and Native Housing Program	15,047	11,460
Other	<u>4,962</u>	<u>5,001</u>
	<u>20,009</u>	<u>16,461</u>

Mortgages and loans receivable yield interest at varying rates. Total interest income from mortgages and loans receivable amounted to \$2.2 million in 1983 (1982 - \$1.7 million).

4. OPERATING FUNDS DUE FROM THE TREASURER OF ONTARIO

The receivable of \$66.0 million (1982 - \$53.7 million) represents the balance due from the Treasurer of Ontario for the current year's net operating loss less advances received to date.

5. LONG-TERM DEBT

The Corporation borrows funds from Canada Mortgage and Housing Corporation (CMHC), Treasurer of Ontario and the private sector to finance investments in real property. Such borrowings are repaid in accordance with agreement terms over periods normally not in excess of 50 years.

Interest is payable to CMHC and the private sector at various rates based on individual agreements ranging from 4.25% to 15% - weighted average rate of 8.09% (1982 from 4.25% to 15% - weighted average rate of 8.08%); and interest is payable to the Treasurer of Ontario at the weighted average rate of 8.52% (1982 - 8.43%).

Estimated scheduled principal repayments due for long term debt are as follows:

	(\$000's)
1984	8,117
1985	8,824
1986	9,593
1987	10,429
1988	11,338
subsequent to 1988	<u>1,317,304</u>
	<u>1,365,605</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

	<u>1983</u> (\$000's)	<u>1982</u> (\$000's)
Canada Mortgage and Housing Corporation	26,519	27,825
Other	<u>36,054</u>	<u>26,792</u>
	<u>62,573</u>	<u>54,617</u>

7. LOSS ON ASSISTED HOUSING OPERATIONS

Under the assisted housing program, the Corporation provides rent-geared-to-income accommodation principally to families and senior citizens. The loss on this program is shared with Canada Mortgage and Housing Corporation.

8. LOSS ON RENT SUPPLEMENT OPERATIONS

Under the rent supplement programs, the Corporation provides rent-geared-to-income accommodation within the private sector to applicants from its waiting list. The cost of these programs is shared with Canada Mortgage and Housing Corporation.

9. PROVINCIAL CONTRIBUTIONS TO MUNICIPAL HOUSING PROJECTS

The Corporation contributed \$11.5 million (1982 - \$10.9 million) to The Metropolitan Toronto Housing Company Limited towards operating costs for senior citizen apartment units.

10. LOSS ON RURAL AND NATIVE HOUSING PROGRAM

This program, administered by Canada Mortgage and Housing Corporation, provides subsidized home ownership to families in rural areas. Mortgage payments are geared to owners' incomes. The loss represents the Corporation's share of the subsidy provided.

11. ADMINISTRATIVE SUPPORT SERVICES

The Ministry of Municipal Affairs and Housing provides central administrative support services to the Corporation. The charge for such support services was determined on a basis acceptable to the Ministry and the Corporation.

12. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform with 1983 presentation.



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965- 1391

To the Ontario Housing Corporation and
to the Minister of Municipal Affairs and Housing.

I have examined the balance sheet of Ontario Housing Corporation as at December 31, 1983 and the statement of operations for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1983 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements, applied on a basis consistent with that of the preceding year.

In accordance with section 12 of the Ontario Housing Corporation Act, a report on the audit will be made to the Corporation and to the Minister of Municipal Affairs and Housing.

Toronto, Ontario,
May 15, 1984.

D.F. Archer
D.F. Archer, F.C.A.,
Provincial Auditor.

COMMUNITY PLANNING

The function of the *Community Planning Wing* is to ensure that provincial, municipal and private sector objectives can be achieved through an effective land use planning process.

The wing administers the regulatory planning process as well as grant and loan programs. Staff provide advice and assistance to municipalities, business organizations and the public on all matters pertaining to the Planning Act and related legislation.

COMMUNITY PLANNING PROGRAMS DIVISION

The Community Planning Programs Division includes the Community Planning Advisory, Community Renewal, and Research Special Projects branches. These branches are responsible for all planning wing programs of direct financial and advisory assistance to municipalities, and for the research functions of the wing as a whole. The regular liaison with municipalities provides improved input in establishing research topics, and the research capabilities allow for increased program analysis and evaluation.

Community Renewal Branch

The Community Renewal Branch is responsible for promoting, encouraging and facilitating a comprehensive approach to the revitalization and maintenance of existing urban areas and community facilities.

In carrying out this responsibility, the branch assists municipalities and Business Improvement Area Associations (BIAA) in the preparation of community improvement policies (as part of municipal official plans); the interpretation, application and administration of the community improvement legislation

in the Planning Act, and the establishment and ongoing operation of Business Improvement Areas (BIAs) across the province. In addition, the branch administers the Financial Assistance Program called PRIDE (Programs for Renewal, Improvement, and Development). The Ontario PRIDE package encompasses the Ontario Neighbourhood Improvement Program (ONIP), introduced in 1981, and the new Commercial Area Improvement Program (CAIP) announced on August 22, 1983. CAIP replaced both the Ontario Downtown Revitalization Program (ODRP) and the Main Street Revitalization Program (MSRP).

Ontario Neighbourhood Improvement Program (ONIP). Under ONIP, municipalities receive a 50 percent provincial grant for projects to upgrade municipal services, public utilities and social and recreational facilities in stable residential neighbourhoods, occupied by low and moderate income households. The purpose is to arrest decline and ensure a minimum level of services in the neighbourhood.

During the 1983-84 fiscal year, \$12 million was committed to municipalities, bringing the total commitments under the program by the end of 1983/84 to \$35.8 million for 168 projects in 112 municipalities. Provincial payments by the end of fiscal year 1983-84 were \$10.7 million.

Commercial Area Improvement Program (CAIP). The Commercial Area Improvement Program was introduced to address the changing municipal commercial area improvement needs in the 1980's. This program replaces both the Ontario Downtown and Main Street Revitalization Programs.

The purpose of this program is to improve physical, social, cultural and economic facilities within downtowns and other older existing commercial districts in order to arrest decline and/or revitalize these areas.

Under CAIP, municipalities receive a 50 percent provincial contribution in the form of loans and grants. The maximum provincial funding to a project is \$500,000. The grant portion cannot exceed one-

third of the provincial contribution. The rate of interest on the loan portion is 50 percent of the provincial borrowing costs.

During the 1983-84 fiscal year, \$6 million was committed to 22 projects in 22 municipalities. Provincial payments for these projects are to be made over the next three fiscal years.

Business Improvement Areas The Business Improvement Area (BIA) concept began in 1970 when the province enacted what is now Section 217 of the Municipal Act, R.S.O. 1980. This BIA legislation provides local business and retail communities with the opportunity to establish a formal organization to facilitate physical improvements on municipally owned lands, buildings and structures (beyond the normal or routine works of the municipality) and to co-ordinate marketing and promotional activities within the designated areas.

The branch actively promotes the BIA concept in municipalities and supplies information and guidance in the establishment and administration of BIA areas. The existence of a BIA is a prerequisite for municipal involvement in CAIP. There is no direct provincial funding.

At the end of the 1983/84 fiscal year, there were 166 active BIAs in the province with a cumulative annual budget exceeding \$7.5 million.

OTHER PROGRAMS

The branch is also responsible for overseeing projects under now terminated programs which still have outstanding provincial commitments. These are:

Ontario Downtown Revitalization Program. The program was instituted in 1976 and replaced in August 1983 with the announcement of CAIP.

It was a provincial-municipal program under which the province provided financial assistance to municipalities with a population of 125,000 or less to facilitate privately funded downtown redevelopment.

During 1983-84 fiscal year additional commitments in the amount of \$1.5 million were made to the City of Kingston.

There are two projects still under implementation.

Main Street Revitalization Program. This program was instituted in 1978 and replaced in August 1983 with the announcement of CAIP.

Provincial assistance was available in the form of low-interest loans to active Business Improvement Areas in downtown areas of small communities with a population of 35,000 or less.

During the 1983-84 fiscal year an additional commitment of \$150,000 was made to the Town of Cobourg.

There are eight projects still under implementation.

Urban Renewal, Neighbourhood Improvement and Community Services Contribution (NIP Component) Programs. These Federal/Provincial/Municipal programs have been terminated by the Federal government. In 1983/84 there were 64 projects still in the process of being implemented with an outstanding provincial commitment of approximately \$5.6 million.

Community Planning Advisory Branch

The Community Planning Advisory Branch (CPAB) is a decentralized operation with offices in Ottawa, London, Sudbury, Thunder Bay and Metro Toronto. It is responsible for promoting community planning through the provision of education activities, direct financial and technical assistance and advisory services. The presence of a professional field staff enhances effective communication between the ministry and local municipalities.

Educational Activities. In 1983/84 the branch organized 167 educational seminars and workshops, and participated in 88 sessions which were initiated by other branches or agencies. The majority of this activity was related to the additional seminars and resulting from the new Planning Act. CPAB also organized the 1983 Ontario Planners' Conference which attracted many representatives from both public and private sectors.

Technical Assistance. CPAB offers professional planning assistance to many Ontario municipalities on a no-cost consultant basis. During 1983/84, 29 documents were prepared (relating to official plans and zoning by-laws), and terms of reference were drawn up for 38 studies.

During the year, 753 plans, reports and documents were reviewed by staff. This included comments to the plans administration branches to provide a local perspective on documents submitted for approval.

Financial Assistance. In 1983/84, CPAB administered three grant programs providing funding to municipalities: community planning study grants (CPSG), planning administration grants (PAG), and energy conservation through land use planning (ECTP).

During the year, 211 municipalities and joint planning boards received provincial commitments for \$2,060,000 under the CPSG program. In some cases, first instalments were made during the fiscal year and outstanding amounts will be provided upon completion of the individual planning studies.

It is expected that 220 documents will be produced as a result of these commitments. Of these, 180 will be related to official plans or zoning by-laws while the remainder will be special studies.

During the year, a major review of this program was undertaken to determine how provincial support could best meet changing municipal needs. As a result of this review an additional 58 municipalities became eligible for support, and a wider range of community planning issues can now be addressed.

The branch also awarded grants totalling \$205,000 (under PAG) to facilitate the administration of planning activities in 15 planning areas containing unorganized territory in northern Ontario.

The energy conservation through land use planning program which began in 1981/82 to provide funding to all municipalities to include an energy conservation component in their planning studies was terminated at the end of the 1983/84 fiscal year. Commitments

totalling \$256,000 to 7 municipalities were made during the fiscal year.

Advisory Services. Approximately 27 percent of staff time was devoted to advisory and general consulting services to municipalities, other provincial agencies, developers and the general public. Branch staff represented the ministry on a number of committees and performed a liaison role with other agencies and the general public on matters of ministry concern.

Research and Special Projects Branch.

The branch provides technical advice on community planning to the ministry. The impact of changing economic and social conditions upon communities, and the consequences for development and redevelopment are analyzed related to existing programs and future program needs. The work of the branch emphasizes practical approaches to opportunities and constraints affecting community planning and development. Publications, based upon this work, provide a practical insight into community planning issues of use to municipalities, other government agencies, consultants and the development industry.

Recent projects include:

- Detailed examination of techniques for revitalizing older central areas within urban centres following upon a previously published overview of the problem.
- A study of commercial improvement techniques across the province in order to establish advisory guidelines for carrying out this type of work.
- An analysis of waterfront areas in urban municipalities to determine appropriate techniques for improvement and development of these areas as a local asset, and prepare an advisory handbook on the subject.
- Preparation of advisory handbook on the techniques for renovating public buildings and on the way in which facade improvement can be accomplished in typical urban areas.

A report on the use of computers in planning, expanding on an earlier report by including information on the recent growth in the use of micro computers and associated software.

Local Planning Policy Branch.

The Local Planning Policy Branch is composed of two sections: Policy and Operations. The Policy Section is responsible for initiating and responding to legislative needs related to municipal planning and the co-ordination of statements of provincial policy on planning matters.

The Operations Section is responsible for the development of explanatory guidelines, regulations and other material related to the Planning Act and for conducting educational sessions to assist in greater understanding of the province's interests in planning.

The Planning Act. The comprehensive review of Ontario's planning legislation culminated on August 1, 1983 with the proclamation of the Planning Act, 1983 as law. Experience over the last several months since proclamation indicates that the Act is working well and the transition from the old Act to the new Act is proceeding smoothly.

During 1983-84, many of the Branch's efforts were devoted to the monitoring of the implementation of the new Act, and assisting, both externally and internally, with its interpretation and implementation. In December of 1983, a minor amendment was made to the Act to assist in the transition. This revision enables municipalities to choose whether applications commenced before August 1, 1983 for amendments to Official Plans or zoning by-laws proceed under either the former Act or the new Act. In situations where council refuses or fails to act on a request for an amendment received prior to August 1, 1983, the request remains under the old Act.

As part of its educational role and to assist in the implementation of the new Act, the branch has published a number of guidelines explaining various features of the Act.

In 1983-84 these included: *Community Improvement, Working with the New Regulations, Official Plan Policies on Public Notification, Planning Application Fees, Zoning and Other Land Use Controls.*

Copies of these guidelines were sent to every municipality in the province and widely distributed among special interest groups, consultants and other provincial and local agencies. Additional copies may be obtained from the Ontario Government Bookstore.

Other guidelines currently in preparation will assist municipalities in understanding the Act's provisions on site plan control, the official plan and demolition control.

During 1983-84, the branch continued to work with the Ministry of Agriculture and Food on the revisions to the *Foodland Guidelines* in preparation for the release of a policy statement under the new Act on the preservation of agricultural lands. The branch also worked with the Ministry of Natural Resources on the development of the mineral aggregate policy. That policy was extensively circulated for public review and comment late in the year.

Other issues such as floodplain protection and aircraft and freeway noise are under active consideration for the development of policy statements under the Act.

Plans Administration: North and East, Central and Southwest.

The branches perform regulatory and monitoring functions for a variety of planning responsibilities based on a geographical division of the province.

North and East (all regions, counties and districts north and east of Simcoe county and Durham region); **Central and Southwest** (all counties and regions west of Northumberland and Victoria counties and the district municipality of Muskoka).

The branches administer the approval of official plans and amendments, plans of subdivision and condominium. They also implement the delegation of the minister's authority under the Planning Act, which includes subdivision, condominium, local official plans and amendments (in regions) and consent approvals. The

branches monitor various approvals delegated to regional municipalities, as well as severances granted by planning boards. In 1983/84, the function of reviewing draft official plan and zoning documents was transferred from the Community Planning Advisory Branch.

In areas outside regions, zoning by-laws are reviewed by the Plans Administration branches and comments are made to the Ontario Municipal Board. They also approve amendments to the minister's zoning orders.

Other functions include approving applications for the minister's consent, the validation of land titles, road adjustments, part lot control by-laws and deeming by-laws.

The Plans Administration Branch, Central and Southwest, is also responsible for handling appeals to decisions on Niagara Escarpment development permits, implementing the Parkway Belt West Plan and approving amendments to Parkway Belt regulations.

During 1983/84 the Plans Administration Branch, Central and Southwest, also initiated a review of the Parkway Belt West Plan as required under the Planning and Development Act. Revised policies for this planning area are anticipated to be in place in the spring of 1985.

The preparation of minister's zoning orders for unorganized areas in northern Ontario is administered in the Plans Administration Branch, North and East.

The General Administration Section provides clerical support to the branches. Its responsibilities include administering outstanding loan and grant commitments made under the Ontario Housing Action Program. The Cartography and Drafting Section provides mapping and graphic services to the branches and the *Community Planning Wing*.

ANNUAL STATISTICS, FISCAL 1983/84

	<u>1983/84</u>	<u>1982/83</u>
Development grants		
New grants	0	0
Total amount paid	0	0
Grants completed or extended	0	0
Total amount paid	<u>0</u>	<u>0</u>
	0	0
Interest free loans		
Number of loans made	0	0
Total loans approved	0	0
Amount disbursed	0	\$2,809,126
Housing incentive grants		
Amount disbursed	\$150,000	\$17,400
Zoning		
Comprehensive and amending by-laws received	4,412	4,275
Comprehensive and amending by-laws terminated	4,400	4,309
Zoning orders		
Amendment applications received	205	230
Applications terminated	202	247
Minister's consents		
Applications received	937	1,024
Applications terminated	944	1,085
Official plans		
Proposed official plans received	32	35
Proposed official plan amendments received	816	691
Official plans terminated	27	43
Official plan amendments terminated	753	763
Parkway belt		
Received	233	249
Terminated	218	249
Niagara Escarpment Commission		
Appeals received	76	95
Appeals terminated	74	97
Road adjustment by-laws		
Received	363	347
Terminated	355	343
Part-lot control		
Received	32	23
Terminated	31	22
Validation		
Received	78	53
Terminated	78	70
Subdivision and condominium applications		
Received	213	188
Terminated	209	310
Monitoring of Submissions/Decisions of Delegated Regions		
Received	567	N/A
Terminated	553	N/A
Draft Document Review		
Received	240	N/A
Terminated	179	N/A

MUNICIPAL AFFAIRS

Local Government Organization Branch.

In broad terms, this branch has the responsibility for advising senior management and the minister with respect to the authority and responsibility local government should be accorded in terms of its functions, its organizational arrangements and its structure. The branch works toward local government that can be responsive, responsible and more easily understood.

The branch is involved both in current and topical policy formulation and advice and in longer term policy planning and initiatives. The branch also has responsibility for co-ordinating municipal legislation and carrying forward policy as it is to be expressed and introduced as legislation.

The branch is made up of three sections: the Functions Policy Section, the Organization Policy Section and the Legislation Section. The objectives and selected current activities of each section are set out below:

Functions Policy Section.

Assesses and develops proposals to increase the effectiveness of local government and to increase its capacity to set priorities and deliver services.

Anticipates future trends that will place new demands for services on municipalities. Studies existing and proposed arrangements for service delivery by the municipal sector. This includes the division of responsibility between local government and the province and between levels of local government in a two-tier system.

Communicates with other ministries regarding existing local government policy and the implications that the proposed programs and policies of those

ministries will have for municipalities. To this end, section members attend meetings of the policy field cabinet committees.

- Examines the relationships between municipalities and other agencies in local government and makes recommendations for change.
- Provides advice on the proposals of other ministries as they affect local government. Staff participate in interministerial and intergovernmental committees on such varied topics as services to the aged, review of the Fire and Police Acts, transportation of dangerous goods, and animal control.

Organization Policy Section.

- Assists in the development of more effective local government structures, including monitoring requests from restructured areas.
- Undertakes research and policy development on the organizational character of local government to improve its accountability, accessibility and responsiveness to local needs and conditions. Recent activities have included work with the AMO/AMCTO/Ministry Committee studying public access to information and municipal meetings, a revised Conflict of Interest Act and policy research on police village functions and local council structure.
- Monitors and assists in the new boundary negotiation process under the Municipal Boundary Negotiations Act.
- Participates in the ministry's efforts to improve the general public's awareness of local government, including school curriculum content.
- Undertakes organizational studies and liaison promoting more effective local government in northern Ontario.

Legislation Section.

- Focal point in the ministry for requests for changes in legislation, the section is informed of the status and content of all legislative proposals and liaises with other branches of the ministry.

- Ensures that the statutes of the ministry are well organized and up-to-date. The section reviews existing statutes and makes recommendations to modernize and improve the legislation (e.g., the Municipal Act).
- Provides advice to senior management and the minister on requests for public and private municipal legislation to ensure that the process for public and private legislation is well co-ordinated and effective.

The branch co-ordinates the local government student research assistance program, which provides grants to assist students with the costs of undertaking theses, dissertations and research papers on topics related to local government in Ontario.

Municipal Finance Branch.

The Municipal Finance Branch is responsible for the development of policy and legislation intended to ensure the long term financial viability of Ontario municipalities with respect to their revenue base; expenditure levels; and cost-sharing among municipalities and taxpayers.

In performing its role, the branch undertakes research (e.g., the simulation of the impact of grants and apportionment policy changes), and prepares policy papers and submissions for consideration by the minister and cabinet. Branch representatives meet frequently with the various "client" groups interested in municipal finance (e.g., elected and appointed municipal officials).

The Municipal Finance Branch also provides liaison with other ministries and agencies on municipal allocations and other provincial initiatives which have municipal finance implications.

The branch is divided into three sections: taxation; grants and other revenues; and financial analysis. The main policy areas for each group involve the following:

Taxation

- Development of property tax policy options.
- Policy development toward the determination of an appropriate basis for distributing metro, regional and county costs among their constituent municipalities.
- Review of payments to municipalities made in lieu of property taxes.
- Evaluation of private legislation and development of general government policy respecting exemptions from property taxation.
- Support for cabinet committee on municipal assessment, taxation and grants.
- Review and enhancement of procedures for collection of local taxes with respect to:
 - interest, penalties and discounts;
 - business taxes;
 - payments to school boards and upper tiers.

Grants and other revenues.

- Annual review of the ministry's unconditional grants program to ensure the efficient and equitable transfer of funds to municipalities. In 1984, the program contributed approximately \$714 million to the municipal sector.
- Development of policy options for the unconditional grants program and participation in consultation process on same with the Association of Municipalities of Ontario.
- Participation with the Ministry of the Solicitor General in the evaluation of municipal police financing.
- Evaluation of other ministries' grant programs and how they affect the finances of municipalities.
- Policy development on municipal debt, lot levies and municipal pension plans.
- Lead role in the study of the consolidation of all municipal finance legislation from the various Acts which presently have finance provisions.
- Lead role in the municipal debt management committee which is made up of representatives from the province, the municipalities and the financial community.

Financial Analysis

- Forecasts of local government expenditures and revenues.
- Analyses of the economic bases of municipalities.
- Policy development for the distribution of special, transitional and loss of revenue grants.
- Analysis of inflation restraint impact on municipal sector.
- Annual publication of *Local Government Finance in Ontario*, a statistical review of local government finances.

Provincial-Municipal Affairs Secretariat

The secretariat performs a liaison function between the province of Ontario and those municipal organizations which collectively represent local government in Ontario.

The secretariat maintains a close working relationship with the Association of Municipalities of Ontario (AMO), its constituent sections and its affiliated staff organizations. AMO represents the majority of Ontario's 838 municipalities. As part of the overall provincial-municipal consultation process regular meetings were held between the Minister of Municipal Affairs and Housing and the executive of AMO. Additional meetings were held between the association and ministers whose responsibilities encompass areas of municipal interest. The arrangement and agendas for these meetings are the responsibility of the secretariat.

In conjunction with AMO, the secretariat is developing training and education initiatives for municipal councillors to follow on the successful series of seminars held for newly elected members of council following the 1982 municipal elections. A comprehensive program for delivery in 1984-85 is being developed in conjunction with Municipal Affairs and Housing's Municipal Action '85 program.

Following the expansion in 1983 of the *Municipal Directory* to include lists of municipal officials covering most major municipal departments, the secretariat produced as a *Supplement to the Municipal Directory* a listing by municipality of all elected

members of municipal councils. This supplement will be expanded in 1984-85 to include elected and appointed members of major boards and commissions at the municipal level.

The secretariat also produces *Background*, a weekly newsletter on topics of current interest in local government, circulates quarterly summaries of municipal resolutions and provincial responses and maintains a liaison function with other provincial ministries of Municipal Affairs and those national and international organizations with a principal focus on local government.

Subsidies Branch.

The Subsidies Branch provides municipalities with appropriate financial and management resources to meet their responsibilities through grant and transfer payments.

The branch also administers programs to encourage the continued use of farm and forest lands through tax rebates to property owners, and the creation of additional jobs through grants to private sector employers.

	TOTAL AMOUNT PAID	TOTAL CLIENTS SERVED
PROGRAM		
FARM TAX REDUCTION PROGRAM	\$71,980,517	147,739 properties
encourages the continued usage of and production on farm lands through rebates of 50% of municipal taxes to eligible property owners.		
MANAGED FOREST TAX REDUCTION PROGRAM	1,385,589	8,277 properties
encourages the continued usage and proper management of forest lands through rebates of 50% of municipal taxes to eligible property owners.		
MUNICIPAL PROGRAMS		
These programs provide grants to municipalities to maintain or improve the services provided to their residents and to improve their own administrative capabilities.		
Municipal Services		
COED- Municipal	17,123,445	657 municipalities
Non-municipal	51,415,750	1,404 employers
Disaster relief assistance	70,044	1 committee
Marina and boating facilities	658,577	40 municipalities
Municipal services in French	264,264	22 municipalities
Special emergency assistance	—	—
Hotline property assistance	—	—
Municipal Administration		
Involvement in municipal administration	825,133*	267 municipalities 374 students
Municipal energy audits	762,426	48 municipalities
Ontario municipal training program	123,436**	21 municipalities 23 trainees
includes \$198,485 paid under Municipal Action '85		
includes \$ 84 paid under Municipal Action '85		
YOUNG ONTARIO CAREER PROGRAM	1,015,255	778 employers 835 positions
This one-year program was designed to create jobs for young people, 20-29 years. Employers must offer a career-oriented position with appropriate training and experience to be eligible.		

<u>PROGRAM</u>	<u>TOTAL AMOUNT PAID</u>	<u>TOTAL CLIENTS SERVED</u>
<p>ONTARIO YOUTH EMPLOYMENT PROGRAM</p> <ul style="list-style-type: none"> Provides a wage subsidy to private sector employers hiring young people into newly created jobs during the summer months. <p>Encourages the creation of additional jobs through grants under various ad-hoc programs.</p>	\$26,875,899	20,321 employers 45,878 jobs
<p>ONTARIO UNCONDITIONAL GRANTS PROGRAM: SIX MAJOR GRANTS</p> <ul style="list-style-type: none"> This grant program provides financial assistance to municipal governments in order to reduce the impact of property tax increases on local taxpayers and to strengthen the fiscal capacity of resource-poor municipalities. <p>The program consists of 6 unconditional grants. The general, police and density per capita grants are calculated by applying a provincially determined dollar amount against the 1983 grants population in a municipality. The resource equalization, general support and northern special support grants are based on municipal tax levies. Resource equalization grants also take into account a municipality's property tax base.</p>	677,289,446	838 municipalities
<p>ONTARIO UNCONDITIONAL GRANTS — OTHER</p> <ul style="list-style-type: none"> This program consists of the apportionment guarantee grant which nullifies the impact of cost sharing with a region, county or district due to shifts in tax burdens caused by changes in equalization factors. <p>In addition, the program financially assists municipalities with extraordinarily high unemployment with their share of project costs under the Canada Ontario Employment Development program. The province also provides special financial assistance to municipalities which face financial burdens which are beyond the control of the municipality.</p>	13,985,344	212 municipalities

GRAM	TOTAL AMOUNT PAID	TOTAL CLIENTS SERVED
PROVINCIAL PARKS PROGRAM The province pays a grant to municipalities which have provincial parks, wilderness areas and historical sites within their boundaries. The payment, a grant in lieu of tax based on the area of the park in the municipality in hectares, is made under <i>The Provincial Parks Municipal Tax Assistance Act</i> .	\$ 310,802	95 municipalities
PROVINCIAL PROPERTIES PAYMENT-IN-LIEU-OF TAXES Under this program the province pays its share of municipal servicing costs applicable to property it owns in a municipality that is not occupied by a tenant. The grant in lieu of tax is paid to lower tier municipalities. The amount is determined by the assessed value of the property and the municipality's commercial mill rate for general and upper tier municipal purposes. Local improvement and drainage charges may also be paid if applicable.	21,985,225	650 municipalities
TENANT OCCUPIED PROVINCIAL PROPERTIES PROGRAM The province pays municipal taxes on behalf of tenants occupying provincially owned property in a municipality. In addition, the province pays school taxes on behalf of tenants of provincial property located in school areas in unorganized areas of the province. The payment amount is based on the property's assessment and the municipality's general mill rates for local and upper tier municipal purposes and school purposes and may include special charges on tax rolls if applicable. At year end, the province invoices the tenants to recoup the current year taxes paid on their behalf.	5,293,524	4,500 tenants

MUNICIPAL OPERATIONS DIVISION.

The Municipal Operations Division provides a full range of advisory services to improve local government effectiveness and monitors financial management and reporting requirements for municipalities.

A network of 10 field offices assists the division.

Municipal Boundaries Branch.

The function of the Municipal Boundaries Branch is to administer the Municipal Boundary Negotiations Act, 1981, and to assist municipalities who apply for the procedures under the Act.

The purpose of the Act is to provide a process whereby municipal politicians on all sides of a boundary or boundary-related issue may resolve annexation or amalgamation matters or resolve intermunicipal problems arising in respect of boundary-related issues, by direct intermunicipal negotiations.

Municipal Boundaries Branch provides the resources to carry out fact-finding inquiries on behalf of the minister, to act as facilitators and mediators to assist municipalities in resolving their issues, and to generally see that the provisions of the Act are carried out.

There are seven separate, usually sequential steps in the process. They are:

- Application for initiation of procedures provided for in the Act by a municipality
- Fact-finding by Municipal Boundaries Branch staff, on behalf of the minister
- Negotiations between affected municipalities of the intermunicipal issues, chaired by a chief negotiator from the Municipal Boundaries Branch
- Recommendation for agreement developed and signed by the negotiating committee
- Public consultation to give the public an opportunity to express their views
- Council review and consideration of recommendation for agree-

ment and formal written opinion to the minister

- Implementation by an Order-in-Council of an agreement adopted by the councils involved, upon ministerial recommendation to the Lieutenant Governor-in-Council.

In certain circumstances one or more of the steps may not apply, such as in uncontested applications where there is agreement or near agreement between municipalities prior to an application and no need for formal negotiations are required under the Act.

During 1983/84 the branch received 22 new applications from municipalities. Eleven applications (2 contested and 9 uncontested) were completed under the Act and Orders-in-Council were signed or placed before cabinet for consideration. The others are in one of the several stages of the process.

Research on various subjects is carried out by branch personnel on an "as required" basis as and when identified by a negotiation committee. This includes financial analysis of the impact on the municipalities involved in the negotiations of potential and/or proposed areas to be annexed.

A *Guide to the Municipal Boundary Negotiation Act* was completed. The purpose of the guide is to outline in a simple way how the Municipal Boundary Negotiations Act, 1981, will be administered, and answer some of the more common questions that the legislation has raised.

The result of the branch's program is that boundary and boundary-related disputes are resolved in a politically accountable way; in a process that is non-legalistic; at a minimum cost to municipalities and the province; and in a manner that permits on-going good relationships among municipalities at the conclusion of negotiations.

Municipal Management Policy Branch.

The branch implements provincial policies to assist municipalities in the development of

programs to ensure effective municipal management across Ontario.

The branch aims to achieve the following primary objectives:

- To provide advice, prepare and distribute publications, and set standards and reporting requirements, on existing, new and amended legislation, contemporary municipal concerns and the municipal sector in general for municipal elected and appointed officials, other ministries, municipal associations, government agencies, other governments and the public, in order to increase awareness of trends, issues and provincial policies in municipal government and to ensure compliance with provincial statutes and policies.
- To provide advice and prepare and distribute publications on appropriate and timely management techniques and technology for municipal elected and appointed officials in order to improve municipal management capability.
- To assist municipalities of all types and sizes to increase productivity, improve cost effectiveness and refine staff expertise in order to improve municipal management capability.

The branch comprises three sections: Financial Management Section, Administrative Management Section and Financial Information Section. The Financial Management Section looks after developments in financial management, financial accounting and reporting and auditing. In 1983-84 it issued the following publications:

- Sick Leave Credit Plans under the Municipal Act*
- Managing Capital Spending*
- Municipal Operating Budgets*

The branch received international recognition in 1983: the *Municipal Financial Reporting Handbook* received the 1983 Award for Excellence from the then Municipal Finance Officers Association (now the Government Finance Officers Association).

Phase II of the *Comprehensive Review of Municipal Auditing in Ontario* was completed; the report entitled *Directions for Auditing in the Local Government Environment* is being

reviewed by the ministry.

The Administrative Management Section continued its activity in the development of municipal administration. Bulletins were prepared in 1983 on the *Municipal Conflict of Interest Act*, *Issues in Capital Decision-Making*, together with a preliminary bulletin on *Tax Sale Procedure*. A management advisory publication on the subject of *Joint Services in Municipalities* was produced. Other publications in progress include:

- Tendering Procedures*
- Sample Bylaws*
- A Summary of Legislation Affecting Ontario Municipalities*
- Keeping the Public Informed*

The branch gave general support to municipalities, other government agencies and municipal associations.

The Municipal Information Section continued to maintain and operate the MARS (Municipal Analysis and Retrieval System) database used for provincial policy developments, the payment of approximately \$700 million in unconditional grants, monitoring the financial performance of all Ontario's municipalities, evaluation of individual municipalities and dissemination to the public, academic and private agencies, including municipalities and their associations.

The MARS operation was extended to provide the BASIS system (Boundary Analysis Simulation and Information System) to analyse the impact of municipal boundary changes. Direct access to MARS was extended to all ten offices and their use will include preparation of financial evaluations where special circumstances require them.

The MARS system now provides the Ontario Municipal Board with a *Financial Summary*. A full documentation of the MARS system was completed and 70 copies of the *User Guide* were issued. The computerized data request inventory was established. Liaison with other government agencies on information matters was continued and a number of MARS demonstrations were presented. Full information was supplied for the implementation of the 1983 apportionments policy for counties, regions, district boards

and conservation authorities. A new five-day training course for MARS officers was developed. Other non-MARS activities by this section included the completion of the *Elected Officials Salary Survey*, the *Computerized Directory of Computers and Applications in Ontario Municipalities*. A bulletin on *The Use of Consultants for Municipalities* is in progress.

The branch has been actively involved in development of the use of micro-computers. A computer literacy training program developed by the branch has been made available to a number of government agencies. Micro-computers are now used to prepare branch operation reports and publications and these facilities are being made available to other government agencies.

Municipal Action '85. This program is designed to assist municipalities in the improvement of their management and operations has continued to be very successful.

Under the training and development element, approximately five hundred training incentive grants were processed during the year. More than twenty bursaries for senior administrators to encourage mid-career management training were approved. The education development fund continued to be used for the development of new educational material and training packages related to the activities of municipal government. Currently, twenty projects are involved, examples being, a program on cash flow management conducted by the Association of Municipal Clerks and Treasurers of Ontario, A supervisory skills course package developed by the Ontario Municipal Management Development Board and a management by objectives in local government project to develop manual and seminars on this subject.

The second element under the program, the basic accounting and control package (BACPAC) continues to be successful. Currently more than 130 projects have been approved and others are currently under review.

Seventy-nine project applications have been approved under the advanced management systems element of the program. This has covered the whole range of

municipal management operations including financial management information, general management information, comprehensive auditing, general computer systems and a whole range of other projects covering a wide variety of direct municipal operations.

These projects are being monitored, and the experiences of the municipalities involved will be highlighted so as to help other interested municipalities.

Under the General Initiatives Section, the *Consolidated Municipal Reference Directory* is being produced and in 1983-84 the four volume set of legislation incorporating all general legislation affecting Ontario's municipalities was published. This was enthusiastically received by municipalities and others. The development of the *Municipal Functions Guide*, the second part of the directory, is continuing. Work is progressing on the micro-computer project and the first two publications, *Micro-computers in Small Municipalities: A Guide and a Work Book* are in course of publication. The *Catalogue of Computer Applications* and the *Manual for Medium and Large Municipalities* are also in course of preparation. A number of joint services encouraging municipalities to work together in joint ventures have also been completed during the year.

Field Services Branch.

The Field Services Branch operates a network of 10 field services offices in Ontario to provide advice to municipalities. The branch also provides a municipal affairs presence in the field to the general public, other government ministries and government agencies on all aspects of local government.

Field offices are located in Thunder Bay, Sudbury, North Bay, Ottawa, Kingston, Oshawa, Orillia, Cambridge, Guelph and London with a head office staff in Toronto.

Staff members of the field offices have the first line responsibility to assist municipalities in complying with recognized municipal practices and maintaining good management and financial stability.

When necessary, the field office staff provide on-site assistance.

For the 607 municipalities with populations of 5,000 or less, guidance from the branch is particularly emphasized and requested as the complexity of municipal administration increases.

Direct supervision by the ministry of the conduct of the affairs of the boards of seven improvement districts and the Moosonee Development Area Board is carried out by the branch. Three municipalities have requested and are receiving supervision in certain matters (modified supervision).

The branch evaluates applications for special assistance made to the minister by municipalities experiencing losses of revenue. In the past fiscal year the minister approved six grants.

Branch staff organize seminars and workshops for municipal staff and attend municipal association and zone meetings to provide information and advice.

Financial reports of all municipalities are reviewed by the branch. Weaknesses are identified and reviewed with the municipality.

The branch, through the municipal action '85 program, provides on-site training for inexperienced municipal staff usually through a cost-sharing agreement with the municipal corporation.

Ratepayers in some 100 instances in the past year have requested the minister to intervene in local government matters alleging improper council decisions and/or improper performance by municipal officials. Allegations in six instances were presented to the minister by way of requests for a full scale Commission of Inquiry. In all cases the branch staff inquire into the matters and report to the minister.



Ontario
Land
Corporation



777 Bay Street
Toronto, Ontario
M5G 2E5

585-6730

THE HONOURABLE CLAUDE F. BENNETT
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

SIR:

On behalf of the Directors, I am pleased to present to you the Annual Report of Ontario Land Corporation for the year ending March 31, 1984.

Respectfully submitted,

STANLEY G. PAYNE
Chairman of the Board and President

ONTARIO LAND CORPORATION

Board Of Directors.

Robert W. Hignett, Chairman
(to December 31, 1983)
Stanley G. Payne, Chairman
(from January 1, 1984)
Robert W. Riggs, Vice Chairman and
Chief Executive Officer
Laurence J. Closs
Ryan P. Davies
(resigned January 15, 1984)
James H. Joyce
Joseph A. Marese
(resigned November 15, 1983)
Mrs. Lee Martini
Alan C. Paradis
Charles C. Parsons
John D. Rogers
Lawrence Shankman
Jerry Trusler
(resigned May 31, 1983)

the Year in Review.

Administration of the Ontario Renter-Buy (ORB) Program, which was launched in 1982 and provided interest-free loans of up to \$5,000 to eligible first-time home buyers, continued during 1983-84. In this fiscal period \$10.8 million was advanced and by March 31, 1984, at the program termination date, 4,586 applicants had qualified for assistance. A total of \$72.8 million in loans has been made, generating 6,500 person-years of employment and freeing up 7,700 units of rental housing. This program was an unqualified success benefiting all parts of the province.

Advances under the Ontario Rental Construction Loan (ORCL) program continued and \$14.2 million was disbursed by March 31, 1984. A total of 13,931 rental units has been completed. Funds advanced since the program was initiated amounted to \$75.5 million. An additional 673 units were still under construction, and the funds remaining within the program allocation are expected to be fully advanced during 1984-85. It is

anticipated that almost \$78 million will be disbursed and 52,000 person-years of employment generated when all commitments are finalized.

The Ontario Renter-Buy and Ontario Rental Construction Loan Programs are administered by the Ontario Mortgage Corporation on behalf of the province and these mortgages do not form part of the Corporation's assets.

Three new provincial programs were announced by the Honourable Claude Bennett, Minister of Municipal Affairs and Housing, in 1983-84 and the Corporation, at year's end, had issued 151 mortgage commitments and advanced \$155,000 under the Convert-to-Rent, Conserve-a-Unit and Add-a-Unit programs. These incentive programs are administered by the Community Housing Wing.

OLC has taken the lead in the sale of surplus provincial land assets through the development and sale of its own lands. During 1983-84 the Corporation launched a major initiative to provide public clients with a complete range of real estate services. This will include negotiating zoning changes, official plan amendments, economic feasibility studies, marketing and sales and mortgage administration. It is expected that this incentive program will generate additional revenue.

During the year, Ontario Land Corporation obtained Cabinet approval for a program to sell lands surplus to its requirements. To date, 121.4 hectares have been sold to other ministries, municipalities and the private sector.

The Corporation's land inventory is 26,691 hectares. Of the 23,748 hectares available under the farm lease program, 96 percent were leased through 1,153 individual agreements. Lease revenues were \$3.6 million. This has enabled the Corporation to keep its land in productive agricultural use as well as generating income.

In the North Pickering land assembly, the number of outstanding final settlements resulting from expropriation was reduced to 35. A formula for settlement of the Ombudsman complaints was agreed upon and at March 31, 1984, 90 claimants (representing \$2.4 million) had settled out of the original 96.

Finance And Mortgages.

The goal of the Corporation is to repay its long-term debt due to the Treasurer of Ontario over a 20 year period and it was successful in meeting its current year objectives during 1983-84. To this end, the Corporation made \$75 million in principal and \$55.3 million in interest payments totalling \$130.3 million. This was slightly higher than the amount paid in 1982-83. During the same period, OLC also repaid \$2.3 million in principal and made \$9.7 million in interest payments to Canada Mortgage and Housing Corporation covering outstanding debentures.

Gross revenues for the year were \$93.8 million. Net earnings amounted to \$8.8 million. Comparable figures for 1982-83 were \$115.5 million and \$16.6 million respectively. Cash produced from operations, including costs realized through sales, amounted to \$29.1 million in 1983-84 compared with \$48 million in the previous year.

The financial results for the 1983-84 fiscal year reflect two key factors in the Corporation's operations. Gross revenue from sales decreased substantially, as the Corporation reduced its inventory of residential properties acquired on default of mortgage loans. This year OLC sold \$4.1 million in acquired properties. As well, interest on mortgages and loans decreased, partly due to reduced yields on renewed mortgages, but also because of a reduction in the size of the portfolio which decreased by \$65.1 million during the year.

The Quick Pay Plan which was initiated in 1982-83 and enables mortgagors to make weekly or bi-weekly rather than the traditional monthly payments continued, as 9,200 mortgagors took advantage of the Plan in 1983-84.

Marketing And Development Activities.

OLC's development and marketing activities generate income for the Corporation as well as property assessment for municipalities and business opportunities for private sector planners, developers, realtors and others. This year land sales were stimulated by

favorable market interest rates resulting in new sales agreements totalling \$30.4 million compared to \$27.5 million in 1982-83. Closed sales increased slightly at \$29.3 million compared to \$28.3 million last year.

Malvern.

Servicing for over 1,800 units in four registered plans commenced in July and continued throughout the year in response to the high demand for lots.

The next neighbourhood of Malvern was approved by the Ontario Municipal Board in February and various engineering and environmental reports were commissioned to support a draft plan of subdivision for some 1,000 units. This will provide the Corporation with an opportunity to develop a very unique area which is among the last tracts of developable land within Metropolitan Toronto.

Townsend.

Work commenced on the Townsend model home court, spearheading the next marketing phase in the community. These homes were constructed by three separate builders and will be ready for public viewing during the 1984-85 fiscal year.

The Administration Building for the Region of Haldimand-Norfolk was completed and officially opened by the Region in July.

Heritage Green.

The pace of land sales quickened in the City of Stoney Creek, one of the fastest growing municipalities in the Hamilton market area. Planning and engineering consultants were selected to prepare a community plan for the remainder of this assembly.

Seaton.

One of the Corporation's major land holdings moved a step closer to development during the year. In May, the Town of Pickering agreed to proceed with a community plan for Seaton as an amendment to the Town's District Plan. The cost of the planning study will be borne by Ontario Land Corporation.

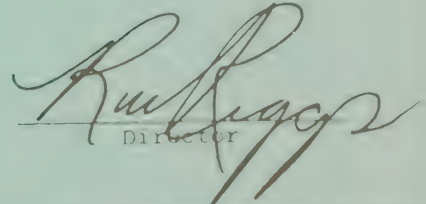
ONTARIO LAND CORPORATION

Balance Sheet
March 31, 1984

	<u>Notes</u>	<u>1984</u> (\$ '000)	<u>1983</u> (\$ '000)
ASSETS			
Real Estate			
Land Inventory	1	475,528	487,694
Land Leased to Homeowners	2	34,841	35,519
Properties	3,8(b)	<u>13,347</u>	<u>11,592</u>
	4	523,716	534,805
Mortgages and Loans	5,8(b)	516,001	581,078
Cash	8(b)	5,158	23,289
Marketable Securities	6,8(b)	71,670	40,758
Accounts Receivable		<u>789</u>	<u>953</u>
		<u>1,117,334</u>	<u>1,180,883</u>
Mortgage Guarantee Fund	12	<u>2,162</u>	<u>1,968</u>
LIABILITIES			
Long-term Debt			
Treasurer of Ontario	7	942,846	1,011,747
Canada Mortgage and Housing Corporation	8	105,229	107,557
Other		-	319
		<u>1,048,075</u>	<u>1,119,623</u>
Accounts Payable and Accrued Liabilities		<u>6,578</u>	<u>7,365</u>
		1,054,653	1,126,988
EQUITY			
Retained Earnings		<u>62,681</u>	<u>53,895</u>
		<u>1,117,334</u>	<u>1,180,883</u>
Mortgage Guarantee Fund	12	<u>2,162</u>	<u>1,968</u>

On Behalf of the Board:


Director


Director

ONTARIO LAND CORPORATION

Statement of Earnings
Year Ended March 31, 1984

	<u>Notes</u>	<u>1984</u> <u>(\$ '000)</u>	<u>1983</u> <u>(\$ '000)</u>
REVENUES			
Real Estate Marketing and Operations			
Sales of Land and Properties		19,570	33,847
Rent from Land Leased to Homeowners		2,930	2,969
Deferred Gains Realized		<u>2,754</u>	<u>1,442</u>
		25,254	38,258
Interest on Mortgages and Loans		56,245	62,877
Interest on Cash and Marketable Securities		10,745	12,970
Other	9	<u>1,555</u>	<u>1,387</u>
		<u>93,799</u>	<u>115,492</u>
EXPENSES			
Cost of Land and Properties Sold		19,907	30,451
Interest	10	64,468	67,488
Other	11	<u>638</u>	<u>981</u>
		<u>85,013</u>	<u>98,920</u>
NET EARNINGS FOR THE YEAR		<u>8,786</u>	<u>16,572</u>

Statement of Retained Earnings
Year Ended March 31, 1984

	<u>1984</u> <u>(\$ '000)</u>	<u>1983</u> <u>(\$ '000)</u>
Retained Earnings, Beginning of Year	53,895	37,323
Net Earnings for the Year	<u>8,786</u>	<u>16,572</u>
Retained Earnings, End of Year	<u>62,681</u>	<u>53,895</u>

ONTARIO LAND CORPORATION

Statement of Changes in Financial Position
Year Ended March 31, 1984

	1984 (\$'000)	1983 (\$'000)
SOURCE OF CASH		
Net Earnings for the Year	8,786	16,572
Depreciation and other Non-Cash Items	369	925
Cash provided from Operations	9,155	17,497
Real Estate Costs Realized Through Sales	19,907	30,451
Net Reduction of Mortgages & Loans	63,240	19,764
Advances from the Treasurer of Ontario	6,068	11,291
	<u>98,370</u>	<u>79,003</u>
USE OF CASH		
Repayment of Long-Term Debt	77,616	69,764
Development of Real Estate	7,350	17,041
Other Changes - Net	623	260
	<u>85,589</u>	<u>87,065</u>
INCREASE (DECREASE) IN CASH AND MARKETABLE SECURITIES	<u>12,781</u>	<u>(8,062)</u>

ONTARIO LAND CORPORATION

Summary of Significant Accounting Policies March 31, 1984

Ontario Land Corporation (OLC) was incorporated in 1975 as a Crown Corporation without share capital under the Ontario Land Corporation Act. The Corporation manages 26,700 hectares of land acquired for land banking and development purposes, and 26,300 mortgages and 6,000 land leases issued under various housing programs. OLC is a partner with Canada Mortgage and Housing Corporation (CMHC) in certain land and mortgage programs, and earns administration fees for managing CMHC's interest in these programs. The Corporation is also a partner with various municipalities in certain mortgage programs.

The financial statements are prepared on the historical cost basis. The statements include the Corporation's proportionate share of the individual assets, liabilities, revenues and expenses of partnerships. No amounts are included in respect of salaries, benefits, or administrative expenses, as these are absorbed by the Ministry of Municipal Affairs and Housing.

Real Estate

Land inventory is recorded at cost, which includes acquisition cost, planning and development costs where applicable, and capitalized carrying costs. Revenue from rental of undeveloped land is applied to reduce the carrying costs.

Land leased to homeowners is recorded as above, except that capitalization of carrying costs ceased on the date the land was leased to the homeowner. Revenues received from these leases are recorded as earnings.

Properties consist of (i) commercial rental properties and (ii) residential properties acquired upon default of mortgage loans. The commercial rental properties are carried at cost less accumulated depreciation. The acquired residential properties are carried at the unpaid loan balance together with operating costs net of rent received, less an allowance for losses.

Depreciation of the commercial properties is recorded using the sinking fund method over a 40-year life for the properties. The sinking fund method provides a depreciation charge which increases at a rate compounded at 4% per annum, which is sufficient to fully depreciate the buildings over their anticipated useful lives. Depreciation is not charged on the acquired residential properties.

Mortgages and Loans

Mortgages and loans are carried at the amount due including interest and property taxes paid on behalf of the mortgagor, less an allowance for mortgage losses.

Marketable Securities

Marketable securities are carried at cost plus accrued interest.

Capitalized Carrying Costs

The cost of land inventory includes carrying charges such as maintenance, grants-in-lieu of taxes and interest.

Interest on partnership lands is capitalized at rates set by CMHC, the Corporation's partner in the ventures.

Interest on wholly-owned lands is not capitalized. Prior to the current year, interest was capitalized on the development costs incurred with respect to these lands.

Income Recognition

Income from the sale of land and property is recognized when title passes to the purchaser.

In previous years the Corporation sold individual lots and took back non-interest bearing deferred mortgages as part of the sales proceeds. A portion of the gain on each sale, equal to the amount of such mortgage, was deferred. The deferred gains are taken into income at the time when mortgage repayment commences.

ONTARIO LAND CORPORATION

Notes to Financial Statements
March 31, 1984

1. Land Inventory

Land is classified as follows:

	1984	1983
	--(Corporation's Proportionate Share)--	
	Hectares	\$'000
	\$'000	\$'000
Land under development	139	19,281
Land held for development or sale	25,645	456,247
	25,784	475,528
	<u>25,784</u>	<u>487,694</u>

2. Land Leased to Homeowners

Land leased to homeowners represents the Corporation's interest in 5,988 lots (1983 - 6,119) on which homes have been built. A lessee may, at his option, purchase and acquire title to the land.

3. Properties

Properties consist of the following:

	1984	1983
	Cost	Accumulated Depreciation
	Net	Net
	-----(\$'000)-----	-----(\$'000)-----
Commercial rental properties		
- 2 properties (1983 - Nil)	3,809	69
Residential acquired properties		
- 309 units (1983 - 351)	9,607	-
	13,416	69
	<u>13,416</u>	<u>9,607</u>
	<u>13,416</u>	<u>11,592</u>

4. Real Estate

Real estate transactions during the year were:

	Land Inventory	Land Leased to Homeowners	Properties	Total
	-----(\$'000)-----	-----(\$'000)-----	-----(\$'000)-----	-----(\$'000)-----
Balance, March 31, 1983	487,694	35,519	11,592	534,805
Acquisitions	1,657	-	2,237	3,894
Development costs	4,126	-	208	4,334
Capitalized interest	514	-	-	514
Grants-in-lieu of taxes	2,080	-	-	2,080
Net operating costs	(2,459)	-	646	(1,813)
Recoveries	(191)	-	-	(191)
Transfers	(2,901)	-	2,901	-
Cost of sales	(14,992)	(678)	(4,237)	(19,907)
Balance, March 31, 1984	<u>475,528</u>	<u>34,841</u>	<u>13,347</u>	<u>523,716</u>

5. Mortgages and Loans

Details of mortgages and loans receivable are as follows:

	1984 (\$'000)	1983 (\$'000)
Residential mortgages and agreements for sale		
Insured under the National Housing Act	55,221	68,913
Uninsured (net of 1.5% allowance)	438,731	489,426
Total residential (average interest rate 10.47%; 1983 - 10.04%)	493,952	558,339
Non-interest bearing deferred mortgages	25,592	28,395
Builders mortgages	10,864	13,097
Municipalities and other	10,779	9,191
Ontario Development Corporation	406	451
	541,593	609,473
Less: Deferred gains arising from non-interest bearing deferred mortgages	25,592	28,395
	516,001	581,078

6. Marketable Securities

The market value of the securities is \$69,544,000 (1983 - \$39,183,000).

7. Long-term Debt - Treasurer of Ontario

The assets of the Corporation are financed mainly by loans from the Treasurer of Ontario. These loans are repayable as funds are realized from these assets. Details of the amounts due are:

	1984 (\$'000)	1983 (\$'000)
Interest bearing - Average rate 9.23% (1983 - 9.21%)	545,317	613,062
Non-interest bearing	392,893	393,961
Non-interest bearing to March 31, 1985	4,636	4,724
	942,846	1,011,747

8. Long-term Debt - CMHC

(a) Debt due to CMHC is repayable under two debentures due December 31, 2001 as follows:

	Balance	
	1984 (\$ '000)	1983 (\$ '000)
National Housing Act Section 40 - 7.10%	35,144	36,087
National Housing Act Section 42 - 9.84%	70,085	71,470
	<u>105,229</u>	<u>107,557</u>

Principal repayments of the above are due as follows:

	(\$ '000)
Year Ending March 31, 1985	2,536
1986	2,763
1987	3,011
1988	3,281
1989	3,576
Subsequent to 1989	90,062
	<u>105,229</u>

(b) As part of the repayment plan for the CMHC debentures, a debt retirement fund was established in December 1981. The elements of the fund are included under the appropriate classifications in the Balance Sheet. Details of the fund are:

	1984 (\$ '000)	1983 (\$ '000)
Cash and marketable securities	49,954	32,667
Residential mortgages	43,214	60,203
Residential properties acquired	589	-
	<u>93,757</u>	<u>92,870</u>

9. Other Revenues

Other revenues are categorized as follows:

	1984 (\$ '000)	1983 (\$ '000)
Administration and sundry fees	1,483	1,387
Rent from commercial properties	72	-
	<u>1,555</u>	<u>1,387</u>

10. Interest

Interest incurred during the year was:

	<u>1984</u> <u>(\$ '000)</u>	<u>1983</u> <u>(\$ '000)</u>
Treasurer of Ontario	55,302	61,128
CMHC	9,664	9,904
Other	16	41
Total Interest Incurred	<u>64,982</u>	<u>71,073</u>
Capitalized to land inventory	<u>(514)</u>	<u>(3,585)</u>
Net Interest Expense	<u>64,468</u>	<u>67,488</u>

In previous years, interest was capitalized on the development costs incurred with respect to wholly-owned lands. Such capitalization ceased effective April 1, 1983. Had the policy been continued, an additional amount of \$2,857,000 of interest would have been capitalized in 1984.

11. Other Expenses

Other expenses are categorized as follows:

	<u>1984</u> <u>(\$ '000)</u>	<u>1983</u> <u>(\$ '000)</u>
Provision for losses on mortgages	300	925
Operating expenses of commercial properties	221	-
Depreciation of commercial properties	69	-
Miscellaneous	<u>48</u>	<u>56</u>
	<u>638</u>	<u>981</u>

12. Mortgage Guarantee Fund

The Corporation maintains a Mortgage Guarantee Fund which was established to satisfy any liability arising out of guarantees given for specific mortgages provided by private sector lenders. The outstanding balance of the mortgages so guaranteed is \$14,897,000 (1983 - \$20,670,000).

The Corporation's maximum liability is the amount of the Fund. The Province of Ontario is responsible for any claims in excess of this amount.

12. Mortgage Guarantee Fund (Cont'd)

Details of the Fund are:

	1984 (\$'000)	1983 (\$'000)
(i) Fund Continuity from Inception		
Fee revenue from borrowers	828	828
Interest income	1,329	1,135
	2,157	1,963
Net gain on guarantee operations	5	5
	2,162	1,968
(ii) Fund Assets		
Cash	107	255
Marketable securities (market value \$1,135,000; 1983 - \$593,000)	1,384	807
Mortgages receivable	663	847
Due from Ontario Land Corporation	8	59
	2,162	1,968

13. Contingent Liabilities

Certain persons, whose land was expropriated by the Corporation, may apply to the Ontario Municipal Board for reassessment of the compensation paid upon expropriation. Additional compensation that may be awarded is to be determined by arbitration and negotiation, and is estimated at a maximum of \$2.0 million. During the year the Corporation paid settlements of \$1.9 million. This amount has been treated as a land acquisition cost, as will any future payments under this category.

The Corporation and others are defendants in three lawsuits claiming that they were negligent in allowing the building and sale of houses on a site contaminated by radioactive waste. Damages claimed are approximately \$16,000,000. The Corporation is denying all liability in these actions on the grounds that it had no knowledge of the contamination. The Corporation's lawyers have advised that it is unlikely that any liability will attach to the Corporation. Accordingly, no provision for this item has been made in the financial statements.

14. Comparative Figures

Comparative figures have been reclassified to conform with the March 31, 1984 presentation.

15. Administered Programs

In its capacity as an agent of the Province, the Corporation administers certain housing incentive programs. These consist of the advancing of funds and the taking back of non-interest bearing mortgages subject to specific conditions.

Advances under these programs are recorded by the Province as transfer payments and memorandum accounts receivable in the Public Accounts. The Corporation does not include these amounts in its balance sheet, and all recoveries are deposited into the Consolidated Revenue Fund of the Province.

Advances under these programs as at March 31 were:

	<u>1984</u> <u>(\$'000)</u>	<u>1983</u> <u>(\$'000)</u>
Ontario Renter-Buy (ORB)	72,817	61,988
Ontario Rental Construction Loan (ORCL)	75,536	61,338
Other	<u>155</u>	<u>-</u>
	<u>148,508</u>	<u>123,326</u>



Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416/965- 1381

To the Ontario Land Corporation and to the Minister of Municipal Affairs and Housing:

I have examined the balance sheet of the Ontario Land Corporation as at March 31, 1984 and the statements of earnings, retained earnings and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with the policies described in the Summary of Significant Accounting Policies. Further, in my opinion, such policies, except for the change in the method of capitalization of interest on development costs as described in note 10, have been applied on a basis consistent with that of the preceding year.

In accordance with section 29 of the Ontario Land Corporation Act, a report on the audit will be made to the Corporation and to the Minister.

A handwritten signature in cursive script, reading "D.F. Archer".

D.F. Archer, F.C.A.
Provincial Auditor

Toronto, Ontario
August 3, 1984

CORPORATE RESOURCES MANAGEMENT

Corporate Resources Management provides central administrative, financial and human resources services to the ministry. It is also responsible for the Ontario Buildings Branch.

Corporate Resources Management includes:

- Corporate planning and evaluation
- Financial services
- Human resources
- Management services
- Operations review and audit
- Ontario Buildings Branch
- Legal services
- Office of the corporate secretary

Corporate Planning and Evaluation.

manages resource allocation process
assists in establishment of program priorities
plans, co-ordinates and processes cabinet and cabinet committee submissions and ensures effective ongoing communications with central agencies
develops and implements integrated management processes
conducts surveys, collects and disseminates statistical information
co-ordinates the ministry's strategic planning and managing-by-results processes
provides corporate policy advice
ensures effective co-ordination and development of responses to pertinent issues
undertakes special management consulting studies for senior management.

Resource allocation and cabinet liaison. This section manages the ministry's financial resource allocation and estimates processes, and ensures effective liaison and communication with cabinet and cabinet committees. This involves developing resource allocation strategies based on ministry policy and program priorities, co-ordinating the annual estimates process and

responding to in-year decisions requiring adjustment of budget allocations.

This section also co-ordinates the planning, scheduling and processing of ministry submissions to cabinet and cabinet committees. It provides advice and assistance to senior management regarding submission content, distributes policy submissions initiated by other ministries for review and comment, and communicates cabinet decisions and directives to affected program managers.

Management planning and statistical analysis. This section ensures that a comprehensive management planning and evaluation process is in place so that financial and human resources can be allocated and utilized in the most efficient and effective manner. Specifically, it co-ordinates the strategic planning process, advises and assists program managers in the design and development of management control processes and prepares all the information related to managing-by-results for the ministry's annual estimates submission. This year it initiated the implementation of an integrated approach to streamline management processes.

The section also provides statistical and survey expertise and assembles information on program performance and other relevant statistics for senior management. In addition, it is the contact point between the ministry and the management standards project at management board.

During the year, a survey was conducted to determine shelter cost changes, incomes and affordability ratios of Renter/Buy Program applicants.

Corporate Policy. This group deals with policy issues that either affect several areas of the ministry or are not the specific responsibility of other branches.

In the past year, projects included human settlements policy, demographic analysis, and reports on housing market outlook.

The section also acts on a consulting basis in response to requests from other areas of the ministry. Two such examples in the year under review were the

evaluation of federal proposals regarding mortgages, and an analysis of open plan offices.

Other activities include briefing the minister and deputy minister for cabinet committee, and co-ordinating the Housing Energy Management Program (HEMP).

Financial Services.

- co-ordinates and controls financial management for the ministry, its two crown corporations and 60 local housing authorities
- ensures adequate systems and policies for budgeting, accounting and financial reporting
- in controllership role
 - provides financial policy direction to the ministry
 - establishes procedures for management of crown agency and ministry cash flows and banking arrangements
 - provides specific advice to program managers

Cash flow arrangements between Ontario Housing Corporation (OHC) and Canada Mortgage & Housing Corporation (CMHC) were finalized during the year, moving federal reimbursements on cost-shared programs from a quarterly to a monthly basis. The result of this change was the return of \$10 million of provincial capital to the Treasurer of Ontario in May, 1984. This capital was previously required to finance federal contributions to assisted housing programs for pending reimbursement claims. Daily reimbursement procedures between the two corporations are still considered possible, but have not yet been agreed to by the federal corporation. Cash flow improvements will continue to be pursued.

Budgetary calendarizations for OHC programs were decentralized to the housing authorities and branch offices during the year. This action improved the precision of cash flow forecasts and enhanced senior corporate management decision-making processes.

The branch developed a unique and comprehensive budgetary reporting package, utilizing micro computer graphics. The package provides senior management with timely decision-making capabilities. This process was used during the 1983/84 fiscal period and will be

used during 1984/85 on an on-going basis. So far, the package procedure has been demonstrated to staff from six other provincial ministries. In conjunction with this process, considerable progress has been made in training staff in the utilization of micro computers. Additional application research is also in progress.

A reorganization of Financial Services Branch was completed prior to the end of the 1983/84 fiscal period. Substantial benefits will be derived through greater opportunities for staff development, increasing delegation and enhancing accountability. A reduction in staff strength of five full time positions was also achieved as a result of the reorganization.

Human resources development continued as a high priority during the year through numerous job enrichments, secondments, job rotations and special staff training courses.

Human Resources.

Personnel services. This section assisted management in day-to-day recruitment, job evaluation, classification and employee relations. This included working on the personnel aspects of a major ministry reorganization with minimum disruption to programs and staff. The section has also been successful in assisting staff declared surplus to find alternate employment.

Manpower planning and staff development. This section has taken on a number of new initiatives in addition to existing management development programs. Staff have worked closely with many ministry branches and the Metro Toronto Housing Authority (MTHA) to develop specific training programs.

The section has developed, with the Personnel Services Section, the Human Resources Management Skills Program. This program encourages managers to acquire skills and knowledge in selection and interviewing, managing employees with work performance problems, handling grievances, applying the job analysis and classification process and understanding working conditions in the Ontario public service.

It is also managing a pilot project which provides ministry civil servants with career development opportunities. Through the Career Development Options Program, the ministry may assist employees' occupational development as well as generate internal mobility.

This section has initiated a human resource planning study to determine ministry human resource requirements for meeting future organizational goals.

A committee with a representative from each wing was also established to review and improve the effectiveness of the performance management process. This committee revised the 'goal setting and review' activity, and adjusted the form to ensure that employees are now more actively involved in the process and can identify how their job and goals fit in with the goals of the organization.

Staff Relations. Negotiations were initiated with the Canadian Union of Public Employees (CUPE) and the Ontario Public Service Employees Union (OPSEU) for renewal of three separate collective agreements which expired December 31, 1983.

Current negotiations have been protracted as a result of the union's non-compliance and non-acceptance of the five per cent limit on total compensation, as provided for in the Public Sector Prices and Compensation Review Act.

Negotiations in Metropolitan Toronto Housing Authority have been temporarily suspended, pending the result of a representation vote for the decertification of CUPE Local 767.

Grievance activity throughout the housing authorities continued to increase, with the result that more cases were scheduled for direct arbitration.

Of the grievances scheduled for arbitration, almost 75 per cent were resolved within the mediation process.

A revised underwriting method was introduced for group insurance policies covering benefits for employees in the housing authorities. This has resulted in a more favorable financial position for the employer.

Payroll and records. This section produced bi-weekly paycheques for ministry staff. In addition to maintaining pay and benefits data for all employees, it produced a variety of management information reports.

The section continued to administer the payroll system used by the 60 local housing authorities and provided staff with payroll instructions and training.

Management Services.

- provides administrative services to the ministry and its crown corporations in computer and information systems support
- procures goods and services
- provides accommodation and office services and maintains ministry's central library.

As part of Metro Plan, the ministry and head offices of its crown corporations were relocated to 777 Bay Street. This move was planned and completed in just over six months and resulted in a 15 per cent overall reduction of office space. The consolidation of all head office staff in the one location for the first time will be both cost effective and operationally efficient.

The procurement of goods and services and the timely payment of vendors' invoices were maintained as was the acquisition of office accommodation and related services for the housing authorities. The library continued to provide reference services to the public and staff.

Office automation studies conducted in several housing authorities have resulted in the introduction of more office technology as a means of improving customer service and increasing productivity. The word processing centre continued to support a growing number of program delivery areas.

Records management and manuals services staff continued their support of the ministry's administrative and operating functions. A partial decontrol of forms services was introduced; operating branches have now assumed responsibility for the design and procurement of local forms.

Systems Services. A long-term information systems strategy was developed for the ministry. Data relating to the general business functions of the ministry have been identified and senior management will determine priorities for developing the data bases to support the business functions.

An Information Resources Management project has been initiated to implement the strategy and the data bases.

The expected results of the project are to create data that are of higher quality and are more accessible to users.

The Information Centre service has continued to expand and support ministry staff who are doing their own data processing. Micro computer support has been added and an initiative to establish Satellite Information Centres in client areas has begun. The Satellite Information Centres will receive training and support from the parent information centre, but will operate as independently as possible to support client data processing in the area in question.

Two major data base management systems were implemented using state-of-the-art technology, one for Community Planning and one for Ontario Housing Corporation.

Operations Review and Audit Branch.

— provides independent, systematic appraisal of all operations and systems of the ministry and its crown corporations, involving activity throughout the province; — evaluates the adequacy of financial controls and compliance with corporate policies, legislation and regulations (corporate and agency audit functions); — evaluates the economy, efficiency and effectiveness of management controls, and operational effectiveness of program delivery operations review functions).

Ontario Buildings Branch.

The Buildings Branch regulates the construction of new

buildings, demolitions and substantial alterations to existing buildings. The regulations are developed by the Buildings Branch and enforced at the municipal level.

In carrying out this regulatory responsibility, the branch:

- provides professional and technical advice to municipal enforcement agencies and all parts of the building industry in Ontario regarding:
 - (a) The Building Code Act and the regulations made under the Act (The Building Code)
 - (b) certain parts of the Water Resources Act and plumbing regulations made under the Act;
- reviews building and plumbing regulations to keep them current with technological advances;
- consults regularly with researchers, constructors, manufacturers, regulators and other client groups;
- prepares a newsletter containing opinions, views and information about the code and related matters;
- advises on code compliance in territory without municipal organization and inspects construction on a selective basis;
- provides secretarial services and professional advice to the Building Code and Building Materials Evaluation Commissions.

During 1983/84 the branch was reorganized, given an expanded mandate and a new name, "The Ontario Buildings Branch".

Additional branch responsibilities include:

- developing policy advice and guidelines for future building regulations and local enforcement procedures;
- co-ordinating efforts to streamline and consolidate building requirements;
- co-ordinating educational and advisory programs of the government relating to building, renovation and maintenance;

During 1983/84, the branch supported some 1,850 code enforcement staff in municipalities across the province. It also supported the building industry which generated some 120,000 building permits in 1983 and a

construction value of \$5.35 billion. Other activities included the preparation of detailed commentaries on the proposed 1985 National Building Code, development of a revised Ontario Plumbing Code and the completion and issuance of a revised Ontario Building Code.

Twenty seminars were held in 15 locations throughout Ontario to inform the building industry about the provisions of the new building code. Some 6,000 architects, engineers, property owners, municipal staff and elected officials participated.

The branch was involved with technical courses for municipal staff and worked closely with the Municipal Inspectors Training and Education Council (MITEC) and the Ontario Building Officials Association (OBOA). It also completed a survey of building-related courses currently available in Ontario.

The branch also worked on an amendment to the OBC Act, which includes a new section, Part XI, in the building code, to allow for the removal of barriers and increased flexibility when renovating existing properties for residential use.

As in past years, the branch continued to work on a number of special projects — fire safety in high-rise structures, building accessibility for the handicapped, hazardous building products, air quality, wood-burning appliances and energy conservation.

The Building Code Commission, with 14 members, conducts hearings and makes decisions on disputes between a building permit applicant or holder and a building official as to the intent of the technical requirements of the code and/or the sufficiency of compliance with those requirements.

In the past year, 96 applications for hearings were made. Of these, 76 were resolved informally and 18 formal hearings were held.

The Building Materials Evaluation Commission, with 18 members, conducts research into the use of innovative building materials, techniques or building designs which are not covered in the Ontario Building Code.

The commission may authorize the use of such materials and

designs in respect of any specified building.

In the past year, seven new applications were received and completed. Amendments to five previous authorizations were processed.

Legal Services.

- provides legal services to the ministry and its crown corporations in such areas as municipal affairs, community planning, land development, conveyancing and mortgages, corporate and commercial law, landlord and tenant matters, and contracts.

This branch includes lawyers and support staff seconded from the Ministry of the Attorney General.

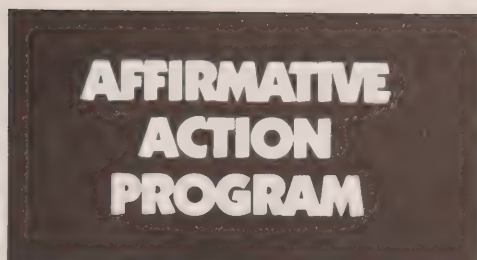
Office of the Corporate Secretary.

- provides staff and administrative support to ministry committees and the boards of directors of Ontario Housing Corporation and Ontario Land Corporation
- is involved in the public tendering process.

This office is responsible for arrangements for the functions associated with board and committee meetings. This includes agenda preparation and recording of minutes. It is also responsible for the safekeeping of negotiable securities and other related documents and their return upon authorization.

This office also retains custody of the corporate seals.

The Affirmative Action Program corporate and long-term is to achieve equal opportunity for women crown employees. The objective is 30 per cent minimum representation in all modules and categories by the year 2000. Program staff assist in achieving this objective by identifying career paths for potentially qualified female candidates for competitions and by encouraging management to provide training opportunities. As of March 1984, the 588 female employees represented 53.5% of the ministry. Female percentage distribution increased in a number of modules and categories during fiscal year 84. The professional module increased by 1% to female representation; clerical services by .5% to scientific and professional services by 4.5% to 31.6% and technical services by 3% to 31.9%. Female representation in the administrative module decreased by 3% to 31.9% and by 1% in the office services category to 95.4%. Representation in all other modules and categories did not change from the previous year. During 1983/84 the ministry met its 30% objective in 5 classifications, primarily in the middle management range: Financial Administration (AM-20) 33.3%; Resource Planning and Management (PM-19) — 50%; Community Development Officer 3 — 37.9%; Data Processing Technician 3 — 100%. The Resource Planning and Management (PM-19) classification had 11.9% female representation during the year, still remains underrepresented at 28.6%. In August 1983, an *Affirmative Action Accelerated Career Development Planning and Reporting Guide* was developed and distributed to managers and employees. A total of 86 accelerated career development initiatives were provided for 14.6% of ministry women. Female employees were selected for 30 on-the-job training sessions, 13 job rotations, and 43 secondments. Through the incentive fund one employee received training in data entry operations and another in data processing techniques. This will qualify these women for employment in system services. In March 1984, for the first time in the ministry, a woman was promoted at the Systems Officer 4 level.



Ten hire/promotion targets were established for the year and a total of 12 were achieved. Five targets were set for the Community Planner 3 classification and 11 female candidates were hired, surpassing the original target by more than double.

Ninety-two Women's Advisory Committee members representing the ministry and larger housing authorities attended two general meetings in Toronto last year. Committee members liaise with the program office and women in the workplace. In addition, two central meetings and several networking sessions were organized and presented for ministry staff by the central core committee, a volunteer group of committee representatives.

The Publications Committee, also a volunteer group, published four newsletters during the year. Brown Bag noon-hour sessions were arranged by the Subsidies Branch Affirmative Action Committee and committee representatives in the Sudbury, London-Middlesex and Peel Housing Authorities for their respective offices.

Program staff co-ordinated and facilitated 10 regional delivery workshops across the province for interministerial women crown employees. Twenty-two visits were made by staff to ministry regional offices including three half-day seminars.

Policies and procedures on personal harassment were finalized and approved for Ontario Housing Corporation (OHC) and forwarded by the General Manager to all OHC and housing authority staff.

Affirmative action staff provided 37 career-related and personal counselling sessions for ministry female staff. In addition, 120 outreach contacts were made to advise eligible female staff of job opportunities within the Ontario Public Service.

Program staff give ongoing support to ministry and regional management and staff to promote the goal of equal opportunity and to ensure that the needs of the client group are realized.

During the past year, ministry staff continued to expand and improve services in French.

In November 1983, The Regional Municipalities Act 1983 received its first reading. When approved, it will be possible for regional municipalities to conduct their proceedings and pass bylaws and resolutions in both English and French.

French-language seminars were conducted by the Municipal Affairs Wing and the Community Planning Advisory Branch in Vanier and L'Original for French-speaking municipal councillors and staff. The ministry produced a 20-minute French-language slide presentation on The Municipal Conflict of Interest Act and an audio-visual presentation on municipal finance.

The number of municipalities participating in the ministry's program of financial aid for municipal French-language services rose to 25.



New ministry employees received copies of a statement of government French-language policy and were informed of ministry policy during orientation meetings.

All ministry offices in the designated areas for bilingual services having French-language capacity are now listed in French in the

government pages of appropriate telephone directories.

As well, local housing authorities in the designated areas were provided with tent cards to inform their clients of the availability of services in both languages.

Advertisements and news releases intended for Ontario's designated areas are in French. Information kits, brochures, background material, and legislative documents are available in French as well as English.



Ministry of
Municipal Affairs
and Housing

Ontario



